



# Country Solution India

IFSCLOUD26R1

## Table of Contents

Note:	2
<b>1</b> Company Set-up	3
<b>2</b> System Define Indian States	6
<b>3</b> Overview – Indian Taxes	8
<b>4</b> Tax Code Structures – Manual Tax Base Amount	11
<b>5</b> HSN/SAC Codes Basic Data Setting and Fetch Tax Structure via HSN/SAC Codes	31
<b>6</b> HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	40
<b>7</b> Address Specific Tax Registration Number	128
<b>8</b> Indian Reverse Charge	141
<b>9</b> Number of Decimals in Withheld Tax Amount, Supplier Invoice	154
<b>10</b> Allow Specific Currency Rates for Supplier Tax Withholding	159
<b>11</b> TCS – Tax Collected at Source	165
<b>12</b> TDS – Tax Deducted at Source	173
<b>13</b> India e-Invoicing	177
<b>14</b> Taxes in intracompany goods movement	196
<b>15</b> Business Reporting Infrastructure for Tax Reporting	212
<b>16</b> Support Handling of HSN/SAC Codes in External Invoice for Customer and Supplier	218
<b>17</b> Subcontractor Name and Subcontractor GST Number in Supplier Invoice	223
<b>18</b> Input Service Distribution (ISD)	226
<b>19</b> Appendix	242

## Note:

The capabilities listed below have been moved to generic functionality. These capabilities are no longer parameterized by Localization Control Center, they are general for any country.

The capabilities moved to generic functionality are:

- Customs Import Declaration Number on Receipt
- Print Invoice Copy in Base Currency

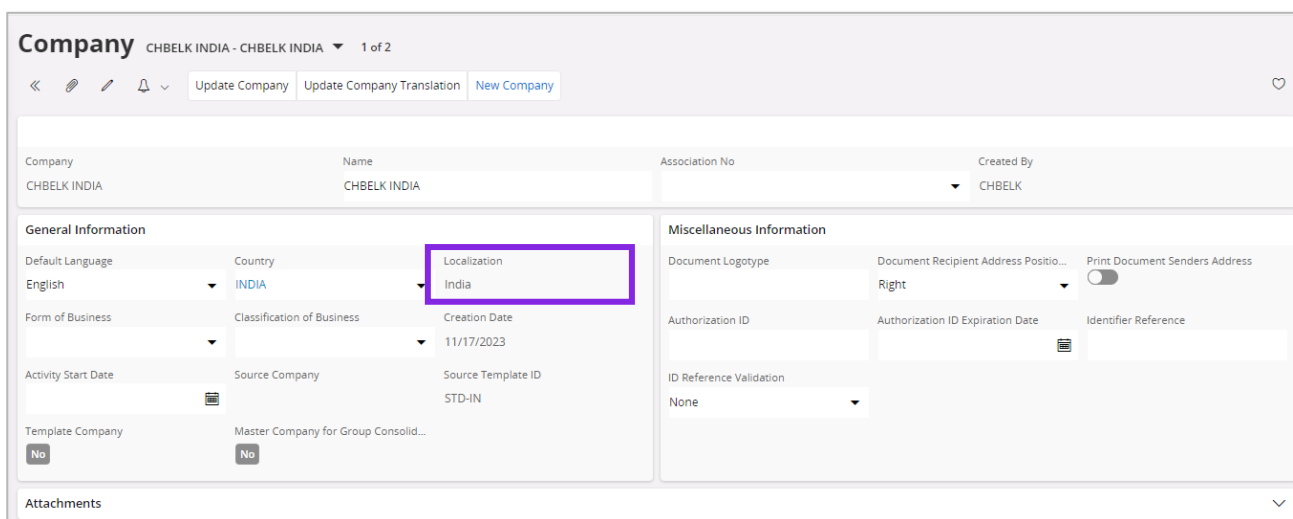
# 1 Company Set-up

## 1.1 Overview

In order to utilize the Indian functionality, the company must be set up as using the Indian localization. This is defined on the page **Company/General Information**.

## 1.2 Define localization.

- Open the page, **Company**.
- Search for the company.
- Select “India” in the drop-down list in the **Localization** field in **General Information** and **Save**. Note that this cannot be changed once transactions are created for the company.



The screenshot shows the 'Company' setup page for 'CHBELK INDIA - CHBELK INDIA'. The 'General Information' section includes fields for Default Language (English), Country (INDIA), and Localization (India, highlighted with a red box). Other fields include Form of Business, Classification of Business, Creation Date (11/17/2023), Activity Start Date, Source Company, Source Template ID (STD-IN), Template Company (No), and Master Company for Group Consolidation (No). The 'Miscellaneous Information' section includes Document Logotype, Document Recipient Address Position (Right), Print Document Senders Address (toggle), Authorization ID, Authorization ID Expiration Date, Identifier Reference, and ID Reference Validation (None).

## 1.3 Select Localization functionality.

Specify which functionality to use.

- Open the **Localization Control Center** sub-menu under **Company**.
- The localization selected in the previous step is displayed in the **Localization Control Center** field and cannot be changed.
- All functionalities available for India are presented in the list. **Enable/Disable** the functionalities based on the requirements of the company by selecting the toggle buttons **Enable**. Note that some functionalities are mandatory and cannot be disabled.

Application Base Setup > Enterprise > Company > Company > Localization Control Center

### Localization Control Center 0101011 - INDIA 6 of 7

Company: 0101011, Name: INDIA, Association No: , Created By: SIATLK

Localization: India

Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> E-Invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> E-Invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in intra/inter state	Yes	Yes
<input type="checkbox"/> Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 1.4 Prerequisites

### 1.4.1 PREREQUISITES: APPLICATION BASE SETUP

- The only supported tax method calculation is ‘Line Level’.
  - On the **Company/ Tax Control/ Invoice** tab, set the **Tax Rounding Level** field to ‘Line Level’.
  - On the **Customer/ Address/ Delivery Tax Information** tab, set the **Tax Rounding Level** field ‘Line Level’ or ‘Specified on the company’.
- On the **Company/ Tax Control /Invoice** tab, set the **Amount Method** field to ‘Net Amount Entry’.
- On the **Company/ Tax Control /Invoice** tab, leave the **Tax Amount Limit, Outgoing Invoice Lines** toggle not selected.
- On the **Company/ Accounting Rules/ Currency Rate Information** tab leave the **Allow Specific Currency Rates for Tax Transactions** toggle not selected.
- On the **Company/Payment/General** tab:
  - Leave the **VAT Reduction at Discount** toggle unselected.
  - Leave the **Allow Write-off for Partial Payment** toggle not selected.
- The only supported **Tax Type** for tax codes is ‘Tax’, and “Tax Withhold”.
- The only supported **Tax Method** for tax codes is ‘Invoice Entry’.
- On the **Company/ Tax Control/ Invoice** tab, set the **Tax Correspondence, invoice line – Manual Postings** to unselected.
- On the **Company/ Tax Control/ General/ Customer Tax Code Validation**, set the **Object Level** toggle to unselected.

#### 1.4.1.1 Prerequisites: Customer Order flow

- On the **Customer/ Order/ Misc Customer Info** tab leave the **Print Tax** Info toggle not selected.
- On the **Company/ Tax Control /Sales & Procurement** tab select the **Customer Order, Taxable** toggle since taxes will be calculated on the customer order.

#### 1.4.1.2 Prerequisites: Purchase Order flow and Supplier Invoice

- On the **Supplier/ Purchase /Misc Supplier Info** tab leave the **Print Tax Info** toggle not selected.
- On the **Company/ Tax Control /Sales & Procurement** tab select the **Purchasing, Taxable** toggle since taxes will be calculated on the purchase order.

## 2 System Define Indian States

### 2.1 Overview Legal Requirement

The Indian State in the buyer's address (the place of supply), and the Indian State in the seller's address (the location of supplier) determines whether a transaction is an Intrastate transaction or an Interstate transaction as per Section 8, 10, and 12 of the Integrated Goods and Services Tax Act, 2017.

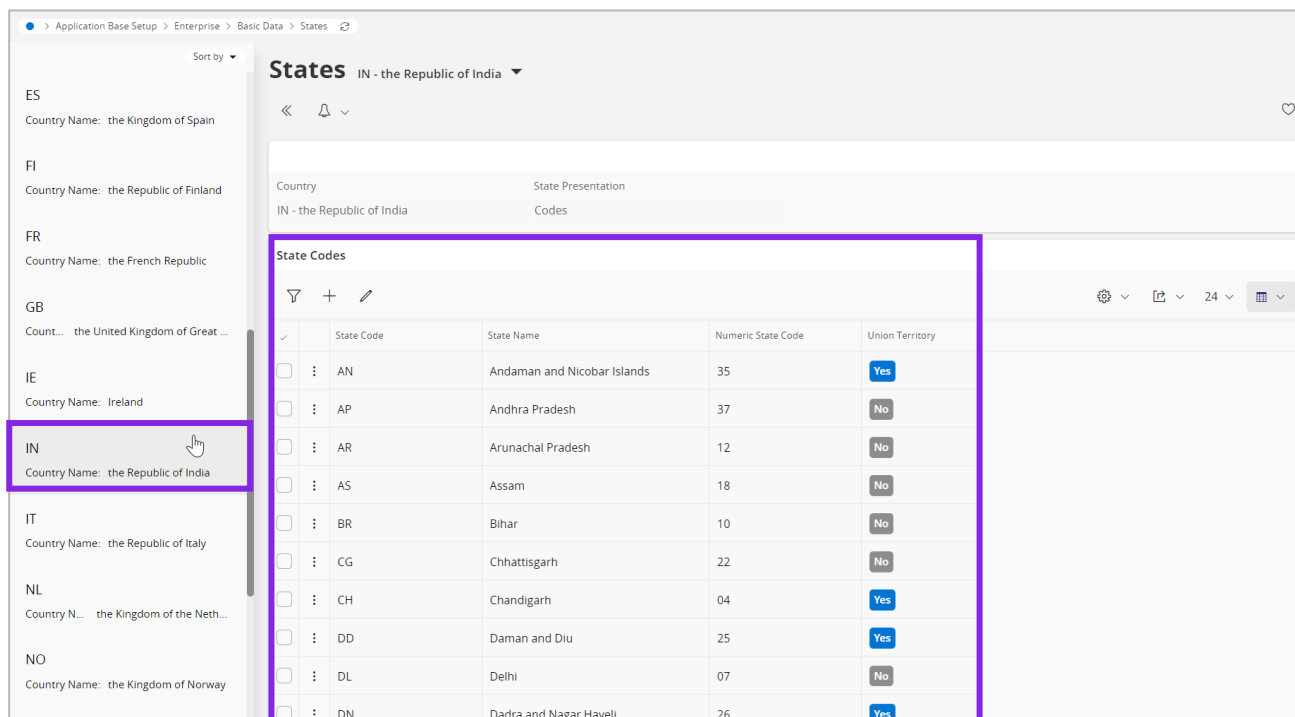
Accordingly, if the two delivery ends of a transaction (buyer's state and seller's state) is within one state, the transaction is categorized as 'Intrastate' and if the same is across two states, then the transaction is categorized as 'Interstate'.

### 2.2 Solution Overview

To support this requirement of levying the taxes mainly based on the Indian States (whether Intrastate or Interstate) and the product/service category, it's required to facilitate system-defined Indian 'States' and the 'State Codes' in IFS Cloud.

Accordingly, on the **States** page, the user can view the list of system-defined Indian **State Codes**, **State Names**, and **Numeric State Codes**, and determination of whether the state is a **Union Territory** under the **IN** (Indian Republic) country code.

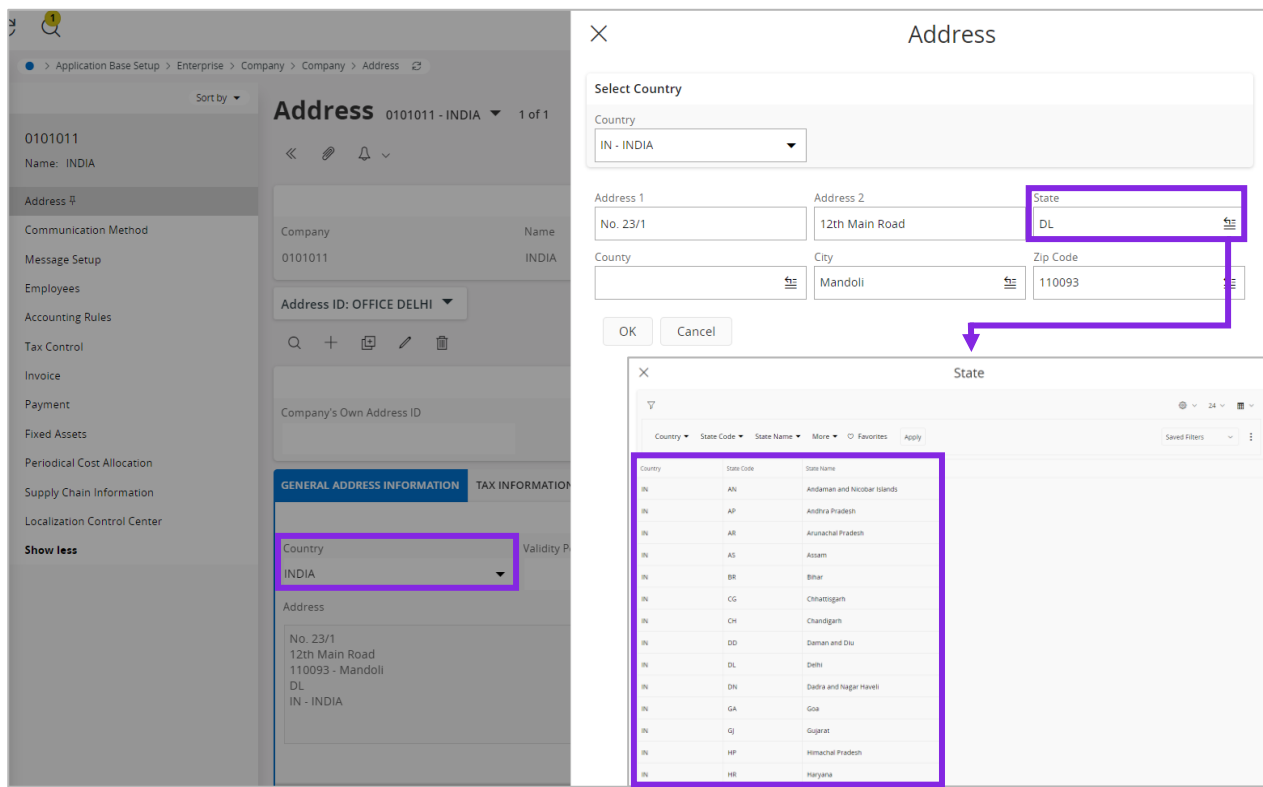
The new **State Code No** column is only visible when there is an IN value in the **Country Code** field.



The screenshot displays the 'States' configuration page for India (IN). The left sidebar shows a list of countries, with 'IN - the Republic of India' selected. The main content area shows a table of Indian states with the following columns: State Code, State Name, Numeric State Code, and Union Territory. The 'State Code No' column is visible, indicating that the country code is set to IN.

State Code	State Name	Numeric State Code	Union Territory
AN	Andaman and Nicobar Islands	35	Yes
AP	Andhra Pradesh	37	No
AR	Arunachal Pradesh	12	No
AS	Assam	18	No
BR	Bihar	10	No
CG	Chhattisgarh	22	No
CH	Chandigarh	04	Yes
DD	Daman and Diu	25	Yes
DL	Delhi	07	No
DN	Dadra and Nagar Haveli	26	Yes

As a result of the system-defined state codes, the user will be able to select the applicable state code from the list of values, when registering an address in IFS Cloud if the country is India (IN).



Note: Note that **state** is a mandatory field for companies in India and is validated using the **Address Setup per Country** page (**Address Setup per Country /IN /Validate State code /Yes**). The user is expected to enter full addresses (with cities and states) when entering an address in the application.

“State Code” is also made available on the Invoice RDF level to facilitate customer invoice layouts (RDL).

### 3 Overview – Indian Taxes

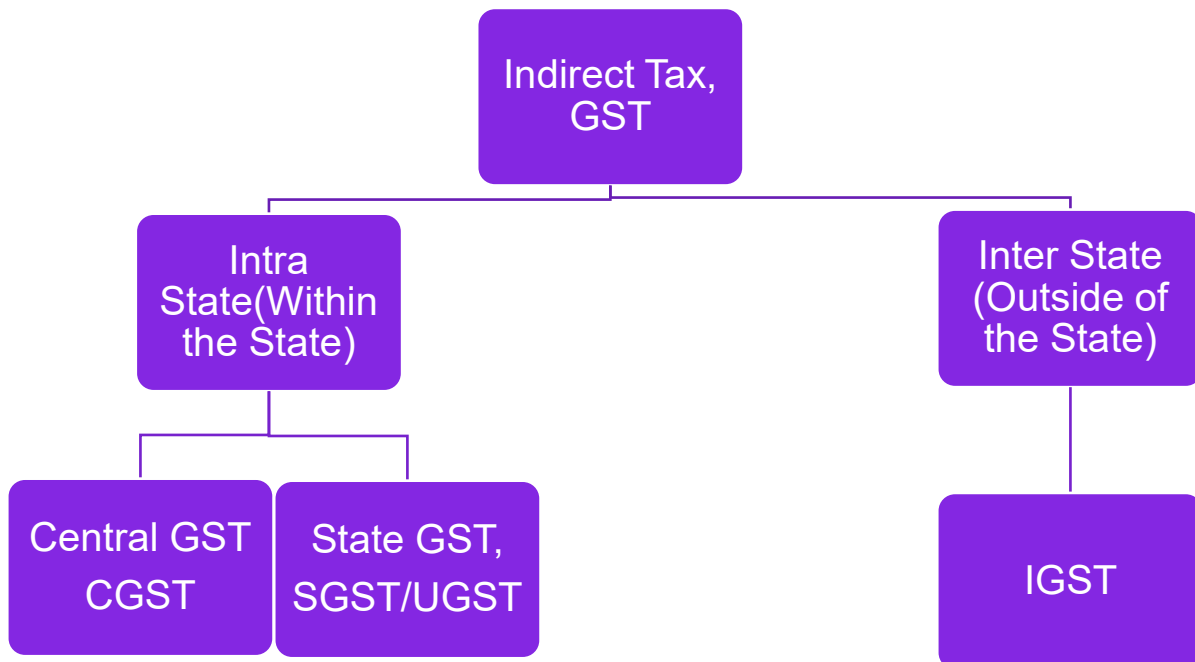
#### 3.1 Overview Legal Requirement

Goods and Services Tax (GST) is an indirect tax that was introduced in India on 1<sup>st</sup> of July 2017 and was applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017,[1] following the passage of the Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0, 5%, 12%,18% and 28%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold.[2] In addition, a cess (tax) of 15% or other rates on top of 28% GST applies on a few items like aerated drinks, luxury cars and tobacco products.[3] GST was initially proposed to replace a slew of indirect taxes with a unified tax and was therefore set to dramatically reshape the country's 2 trillion dollar economy.[4] The rate of GST in India is between double to four times that levied in other countries like Singapore.[5]

(Extracted from Wikipedia)

#### 3.2 Process Overview

GST in India



Keeping in mind the federal structure of India, there will be three components of GST,

- 1) Central GST (CGST)
- 2) State GST (SGST).
- 3) Inter-State GST (IGST)

Both the Centre and States will simultaneously levy GST across the value chain. Tax will be levied on every supply of goods and services. The Centre would levy and collect Central Goods and Services Tax (CGST), and States would levy and collect the State Goods and Services Tax (SGST) or UGST (Union territories with legislature) on all transactions within a State.

In case of inter-state transactions, the Centre would levy and collect the Integrated Goods and Services Tax (IGST) on all inter-state supplies of goods and services under Article 269A (1) of the Constitution. The IGST would roughly be equal to CGST plus SGST/UGST. The IGST mechanism has been designed to ensure a seamless flow of input tax credits from one State to another.

### 3.3 Define Indian GST in Tax Calculation Structures

To comply with the Indian multiple tax calculation requirement, IFS Cloud Core functionality and Tax Calculation Structure could be used. In this core functionality of the Tax Calculation Structure, multiple rules for tax codes could be defined. To facilitate to Indian GST requirement with the core Tax Calculation Structure, a set of tax codes and tax structures are defined to facilitate the CGST, SGST, UGST and IGST.

In Indian localization, all business flows where the GST is applied, it's only the Tax Calculation Structure which could be used. The tax calculation structures are determined by the HSN/SAC Basic Data and the states codes of the buyers and sellers in different transactions. Thus, there is no prerequisite arise to set up individual Tax Codes or Tax Calculation Structures in the customer, supplier, and company basic data level in core application.

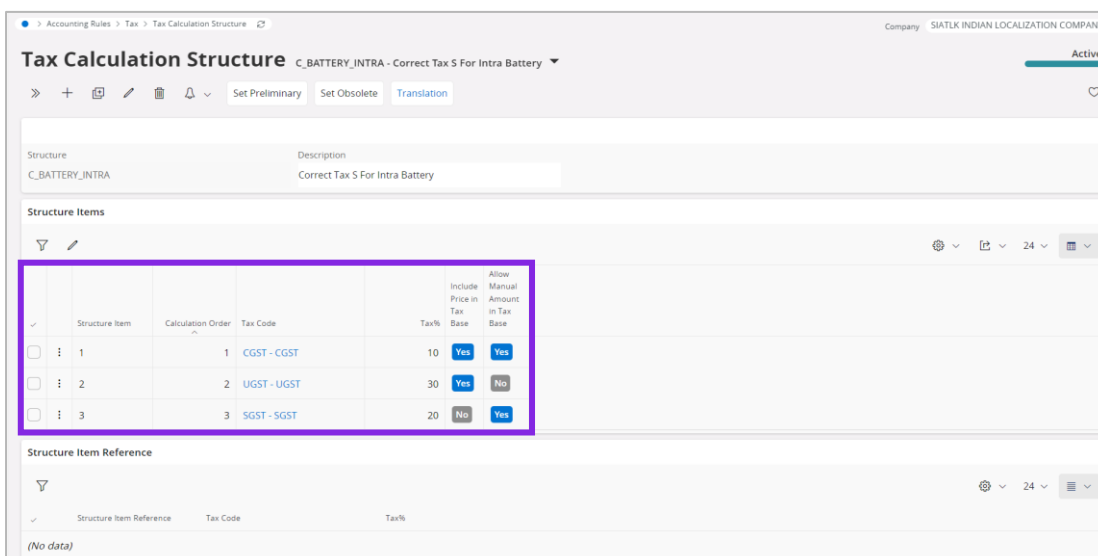
### 3.4 Define different Tax Structures for Inter State and Intra State transactions

#### 3.4.1 FOR INTRA-STATE TRANSACTIONS:

In case of intra-state transactions within States, the Seller collects both CGST & SGST from the buyer and CGST needs to be deposited with the Central Govt and SGST with the State Govt.

In the case of intra-state transactions within Union Territories, the Seller collects both CGST & UGST from the buyer and CGST needs to be deposited with the Central Govt and UGST with the Union Territory Govt.

To facilitate this scenario, you need to define a tax structure connecting different tax codes CGST, SGST and UGST separately. Decide how many such tax structures needed for your business and define separate intra-state tax structures comprising three tax codes (CGST, SGST & UGST).



**Tax Calculation Structure** C\_BATTERY\_INTRA - Correct Tax S For Intra Battery

Structure: C\_BATTERY\_INTRA, Description: Correct Tax S For Intra Battery

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	CGST - CGST	10	Yes	Yes
2	2	UGST - UGST	30	Yes	No
3	3	SGST - SGST	20	No	Yes

Structure Item Reference: (No data)

Note: In HSN/SAC Code-based Tax Fetching, relevant Tax Codes applicable will be fetched to transaction line-item level, based on whether the transaction happens within the same State or same Union Territory. Whether a State is a Union Territory or not, is identified on the **States** page. (Refer to [System Define Indian States](#))

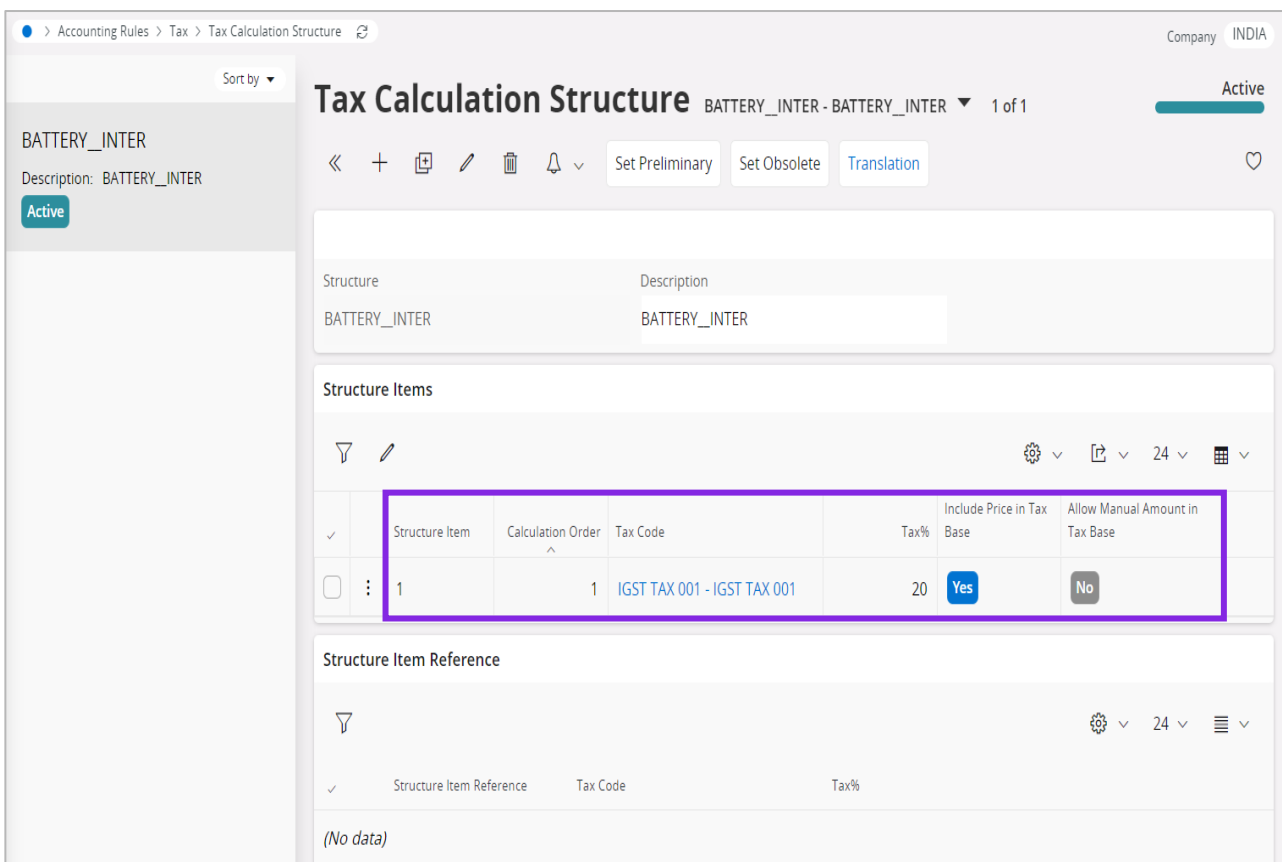
Accordingly,

- For Intrastate transactions within the same State - The Tax Codes with Tax Category UGST, defined in the Tax Calculation Structure, will not be visible in the Tax lines, because Union Territory Taxes are not applicable for States.
- For Intrastate transactions within the same Union Territory - The Tax Codes with Tax Category SGST, defined in the Tax Calculation Structure, will not be visible in the Tax lines, because State taxes are not applicable for Union Territories.

### 3.4.2 FOR INTER-STATE TRANSACTIONS:

Integrated Goods and Service Tax (IGST) shall be levied on interstate transactions of goods and services which are based on the destination principle.

To facilitate this requirement, you need to define a tax structure connecting a single tax code IGST. Decide how many such tax structures needed for your business and define separate interstate tax structures comprising a tax code for IGST.



The screenshot displays the 'Tax Calculation Structure' configuration for 'BATTERY\_INTER'. The main table, 'Structure Items', is highlighted with a purple border and contains the following data:

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	IGST TAX 001 - IGST TAX 001	20	Yes	No

Below the main table is a section for 'Structure Item Reference', which currently shows '(No data)'.

## 4 Tax Code Structures – Manual Tax Base Amount

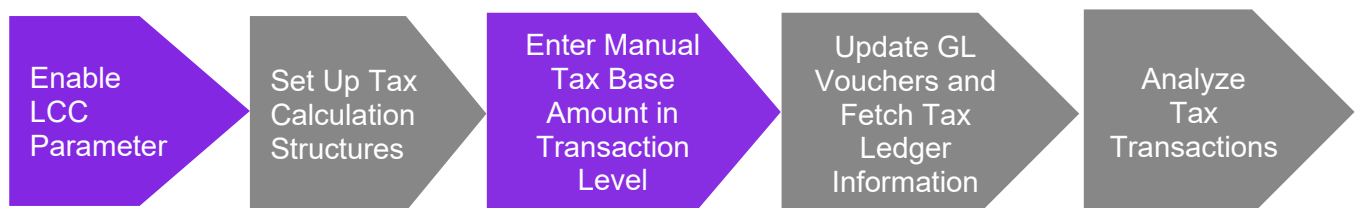
### 4.1 Overview Legal Requirement

As per Section 15 Subsection 2 of THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 the value of taxable supply, can vary with the transaction value of an invoice due to many reasons and scenarios such as,

- Taxable value when consideration is not solely in money - In some cases, where consideration for a supply is not solely in money, taxable value must be determined as prescribed in the rules.
- Value of supply between distinct and related persons - As relation may influence the price between two related persons (ex: Subsidiaries) a special valuation rule has been framed to arrive at the taxable value of transactions between related persons.
- GST on FoC goods/services - Goods/services rendered free of cost come under the purview of GST and the law has provision to arrive at taxable value.
- Promotional sales on only a GST basis - Sometimes a promotional sale is being done where only GST is recovered from the customer.

Considering the above there is a requirement to utilize a different fair value other than the net value as the tax base.

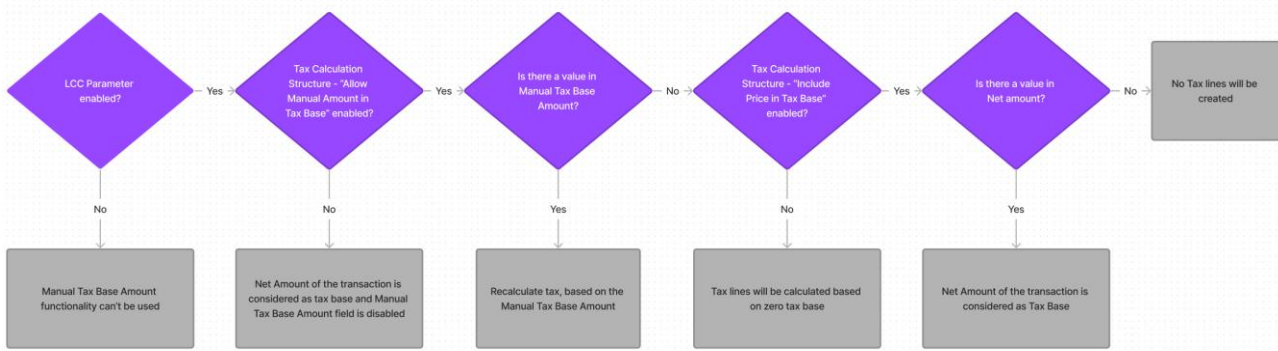
### 4.2 Process Overview



### 4.3 Solution Overview

Complying with the above requirement, upon enablement of an LCC parameter, the user is given ability to determine the use of the manual tax base amount feature at a detailed level of tax structure line-item.

Once a particular Tax Calculation Structure line is determined to be utilizing the manual tax base amount feature, the taxes pertaining to the said tax line will be calculated based on the manually entered value in the **Manual Tax Base Amount** field which is made available on line level in a number of transaction pages.



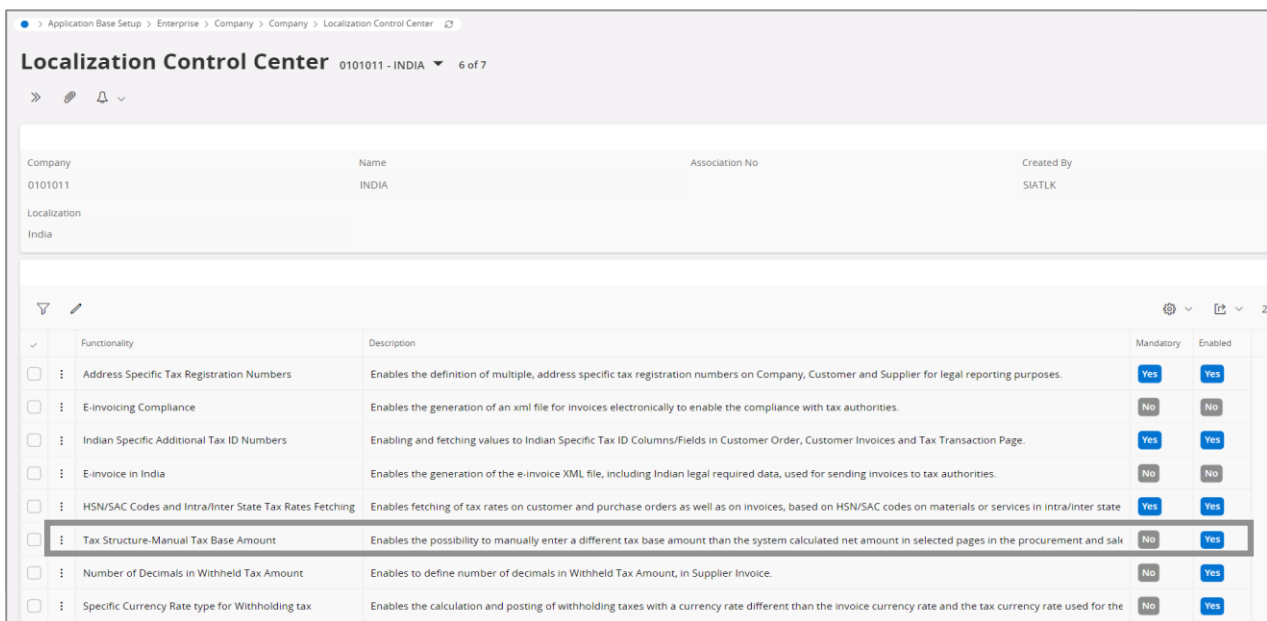
## 4.4 Prerequisites

The company must be set up to use Indian localization, see the [Company Setup](#) chapter.

## 4.5 Enable Localization Control Center Parameter.

To be able to enable this new functionality, navigate to the **Company/Localization Control Center** and enable the functionality, "Tax Structure- Manual Tax Base Amount".

Please note that this is an optional localization parameter, and the user needs to enable it manually.



Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in Intra/Inter state	Yes	Yes
<input type="checkbox"/> Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 4.6 Set up Tax Calculation Structures

Upon enablement of the LCC parameter "Tax Structure-Manual Tax Base Amount", a new column is made visible on the **Tax Calculation Structures** page named, **Allow Manual Amount in Tax Base**, where the user can enable the toggle to determine the usage of the Manual Tax Base Amount feature for each tax line applicable for different Tax Calculation Structures.

Accounting Rules > Tax > Tax Calculation Structure

Company: INDIA

### Tax Calculation Structure

BATTERY\_INTRA - BATTERY\_INTRA 1 of 1

Active

Structure: BATTERY\_INTRA Description: BATTERY\_INTRA

Structure Items

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	SGST TAX 001 - SGST TAX 001	10	Yes	Yes
2	2	CGST TAX 001 - CGST TAX 001	12.5	Yes	Yes

Structure Item Reference

Structure Item Reference	Tax Code	Tax%
(No data)		

It is allowed to enable both **Include Price in Tax Base** and **Allow Manual Amount in Tax Base** options on the **Tax Calculation Structure** page and at the transaction line creation level, the tax base will be selected giving priority to the **Net amount**, and if the user wants to introduce a **Manual Tax Base Amount**, upon entering a value in the field, the taxes will be based on that instead.

#### 4.7 Application of Manual Tax Base Amount in Transaction Level

A new column, **Manual Tax Base Amount**, is introduced to some selected pages in Procurement, Sales, Project Invoicing and Contract Management flows, to be able to enter a manual tax base amount to transaction line level. In this new column, user can manually enter a different tax base amount than the usual net amount which is considered for tax calculation.

The Manual Tax Base Amount at the transaction level can be edited only if, *the* **“Allow Manual Amount in Tax Base”** option is selected for the connected **tax calculation structure**. This means the user needs to first connect a **Tax Calculation Structure** with the **Allow Manual Amount in the Tax base** toggle enabled in the transaction line level, and then, this new column, **Manual Tax Base Amount** will be used to enter a tax base amount manually.

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information — Line Information — Posting Information

Invoice							
Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	MANUAL TAX BASE 01	INR			

Line Information				
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax ...	Cost Amount
0.00	0.00	0.00	0.00	0.00

Lines									
(1)	Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
<input checked="" type="checkbox"/>			No		0.00	0.00		0.00	

Previous Next Finish Cancel

Following are the sales and procurement pages supported with Manual Tax Base Amounts functionality,

#### Sales:

- *Customer Order*
- *Customer Order Invoice*
- *Return Material Authorization*

#### Procurement:

- *Purchase Order*
- *Purchase Order Change Order*
- *Manual Supplier Invoice*
- *Posting Proposal*

Note: Manual Tax Base amount functionality is also supported in creation of **Recurring Invoices** and the user will be able to bring the **Manual Tax Base Amount** to a Recurring Invoice created once the base invoice contains a **Manual Tax Base Amount**.

#### 4.7.1 MANUAL TAX BASE AMOUNT IN PROJECT REPORTING

In project invoicing, it is possible to define a **Manual Tax Base Amount** on a **Project Invoice**. This value is treated as a total amount, not a per-unit value.

- If a value is entered, it will be used as the tax base amount for tax calculations.
- If the field is left blank, the system will use the **Net Amount** instead.

When a project invoice is generated from project transactions or invoicing plans, the **Manual Tax Base Amount** field will be blank by default. A value can be entered while the debit project invoice is in preliminary status.

Project Management > Invoicing > Project Invoice

## Project Invoice

Search (23)

PR - 213903 1 of 23

Notes Invoice Text Printout Send and Release Invoice Customer Installment Plan

Customer: CMIN-CUS, Customer Name: India Customer, Project: [ ]

Invoice No: 213903, Invoice Period Start: 7/1/2025, Invoice Period End: 7/31/2025

**Amounts**

Currency	Gross Amount	Net Amount	Tax Amount
INR	1290.33	1093.50	196.83

**LINES** GENERAL PRE POSTING ACCOUNTING

Item ID	Report Code	HSN/SAC Code	Tax Code	Tax Percentage	Tax Calculation Structure	Multiple Tax Lines	Net Amount	Manual Tax Base Amount	Tax Amount	Gross Amount
1	MTB-CC01 - Consultant Costs	MTB1000 - Repair			MTB-INTRA1	Yes	1093.50		196.83	1290.33

The **Manual Tax Base Amount** field is not editable on credit invoices. For correction invoices it is editable only for debit lines and remains non-editable for credit lines.

### Delimitations

- Multi-Company Project Reporting is not supported.
- Project Reporting for Contractors is not supported.

## 4.7.2 MANUAL TAX BASE AMOUNT IN SUB CONTRACT MANAGEMENT

It is possible to define a **Manual Tax Base Amount** in **Sub Contract Revision and Items**. This value is treated as a total amount, not a per-unit value. If a value is entered in this field, it will be used as the tax base amount for tax calculations. If left blank, the **Value Adjusted** field will be used instead.

Contract Management > Sub Contract > Sub Contract Revision and Items

## Revision and Items

Search (1)

MTBA - 1 1 of 1 Active

New Revision Valuation New Valuation Freeze Revision Audit Trail Settings

Revision Summary

**Lines**

Line No	Line Name	Line Description	Value Contract Currency	Value Company Currency	Base Value for Change Order Contract Currency	Total Change Order Value Contract Currency	Unapproved Change Order Value Contract Currency	Approved Change Order Value Contract Currency
1			80000.00	80000.00	80000.00			

**ITEMS**

Item No	Item Name	Calculation Method	Valuation Method	HSN/SAC Code	Tax Calculation Structure	Item Currency	Value	Value Adjusted	Manual Tax Base Amount	Tax Code	Tax Amount	Non-deductible Tax Amount	Value Contract Currency	Value Company Currency	Base Value for Change Order	Total Change Order Value
1	Fixed	Fixed	Fixed Value	1000-MTBA - Repair	INTER-MTBA	INR	10000.00	10000.00			4800.00	0.00	10000.00	10000.00	10000.00	
2	CMIN-PURCH...	Per Unit	Quantity	1000 - Repair	INTER-MTBA	INR	20000.00	20000.00			9600.00	0.00	20000.00	20000.00	20000.00	
3	CMIN-PURCH...	Rate Only	Progress	1000 - Repair	INTER1	INR	50000.00	50000.00			10000.00	0.00	50000.00	50000.00	50000.00	

Similarly, the **Manual Tax Base Amount** can be defined in **Sub Contract Valuations**. This value is also considered a total amount for the specific valuation, not a per-unit or cumulative value.

- **Planned status:** The amount entered in the **This Manual Tax Base Amount** field is used to calculate the **This Application Tax Amount**. If no value is entered, the system will instead use the **This Application Net Value**.
- **Application Received or higher status:** The amount entered in the **This Manual Tax Base Amount** field is used to calculate the **This Certified Tax Amount**. If no value is entered, the system will instead use the **This Certified Net Value**.

Contract Management > Sub Contract Valuation > Sub Contract Valuation

### Sub Contract Valuation

Search (3)

MTBA - 3 1 of 3

Status Copy Previous Values Refresh Contract Details Refresh Tax Withholding Print Certificate Copy Valuation to Certified

GENERAL SUMMARY **ITEM VALUATION** RETENTION INVOICE & PAYMENT INFO DEDUCTION

Work Value	Stored Material	Total Value	Work Certified	Stored Material Certified	Total Certified
6800.00	30.00	6830.00	15250.00	0.00	15250.00

Lines

Copy Previous Values Copy Valuation To Certified

Line	Description	Work Value	Stored Material Value	Total Value	Contract Value	Work Certified	Stored Material Certified	Total Certified
1-1	1	6800.00	30.00	6830.00	80000.00	6000.00		15250.00

ITEMS

Item No	Valuation Value	Previous Valuation Value	Valuation Stored Material	Previous Stored Material Value	Work Value	Previous Work Value	Total Valuation	This Manual Tax Base Amount	Application Work Value	Application Stored Material	Application Total Value
1	600.00	750.00	10.00	0.00	600.00	750.00	610.00	5000.00	5000.00		5000.00
2	1.10	2.00	10.00	0.00	1100.00	2000.00	1110.00	1000.00			
3	10.20	15.00	10.00	0.00	5100.00	7500.00	5110.00				

Additionally, the **Manual Tax Base Amount** can be defined in **Contract Change Orders** created for sub contracts. This value is treated as a total amount, not a per-unit value.

- If a value is entered in the **Manual Tax Base Amount** field, it will be used for tax calculations.
- If no value is entered, the **Net Change** will be considered instead.

When a sub contract change order is connected to the contract, both the **Manual Tax Base Amount** and the corresponding **Tax Amount** are copied into the related sub contract revision and items.

Contract Change Order

001 - 001 4 of 24+ Preliminary

Change Order No: 001, Change Order Name: 001, Company: CM-INDIA, B2B Status: SWN - Supplier Variation with ...

Line No	Line Descr	Item No	Item Name	HSN/SAC Code	Original Cost Value	Expected Cost Value	Requested Cost Value	Agreed Cost Value	Original Cost Value Adjusted	Expected Cost Value Adjusted	Request... Cost Value Adjusted	Agreed Cost Value Adjusted	Net Change	Manual Tax Base Amount	Tax Calculation Structure	Tax Amount	Expected/Agreed Non-deductible Tax Amount	Multiple Tax Lines	Tax Code	Expected/Agreed Value Overrid
1-1	1	10	WS Lay...	MTB1000 - Repair		10000.00				10000.00			10000.00	22000.00	MTB-INTRA1	4400.00	0.00	No		No

### Delimitations

- Sub contract self-billing invoice flow is not supported.

### 4.7.3 MANUAL TAX BASE AMOUNT IN SALES CONTRACT MANAGEMENT

It is possible to define a **Manual Tax Base Amount** in **Sales Contract Revision and Items**. This value is treated as a total amount, not a per-unit value.

- If a value is entered in the **Manual Tax Base Amount** field, it will be used as the tax base amount for tax calculations.
- If the field is left blank, the **Sales Value Adjusted** will be used instead.

Revision and Items

NP-MTBA1 - 1 1 of 1 Active

Revision Summary

Line No	Line Name	Line Description	Sales Value Contract Currency	Cost Value Contract Currency	Base Value for Change Order Contract Currency	Total Change Order Value Contract Currency	Unapproved Change Order Value Contract Currency	Approved Change Order Value Contract Currency
1	1	1	7700.00			7700.00		

ITEMS

Revenue Activity	Revenue Activity Short Name	Report Code	HSN/SAC Code	Item No	Item Name	Item Description	Calculation Method	Calculation Type	Sales Value	Sales Value Adjusted	Manual Tax Base Amount	Tax Code	Tax Calculation Structure	Tax Amount	Status
A1 - Sales Con	NP-TESTS.SP1.A1	MTB-CC01 - Consultant ...	MTB1000 - Repair	10	10	10	Fixed	Sales Value	1000.00	1100.00			MTB-INTRA1	198.00	Planned
A1 - Sales Con	NP-TESTS.SP1.A1	MTB-T01 - Time	MTB2000 - Plastics	11	11	11	Fixed	Sales Value	2000.00	2200.00			MTB-INTRA2	506.00	Planned
A1 - Sales Con	NP-TESTS.SP1.A1	MTB-CC01 - Consultant ...	MTB1000 - Repair	12	12	12	Fixed	Sales Value	3000.00	3300.00			MTB-INTRA1	594.00	Planned
A1 - Sales Con	NP-TESTS.SP1.A1	MTB-CC01 - Consultant ...	MTB1000 - Repair	20	20	20	Fixed	Sales Value	1000.00	1100.00			MTB-INTRA1	198.00	Planned

Similarly, the **Manual Tax Base Amount** can be defined in an **Application for Payment (AFP)**. This value is always treated as a total amount for the specific AFP, not as a per-unit or cumulative value.

- The amount entered in the **This Manual Tax Base Amount** field will be used to calculate the **This Application Tax Amount**.
- If no value is entered, the system will instead use the **This Application Net Value**.

Contract Management > Sales Contract Application for Payment > Application for Payment

### Application for Payment

Search (5)

Print Application Sales Contract

GENERAL SUMMARY **ITEM VALUATION** RETENTION INVOICE & PAYMENT INFO DEDUCTION

Work Value	Stored Material	Total Value	Work Certified	Stored Material Certified	Total Certified
330	150	480	300	180	480

Lines

Line No	Line Name	Line Description	Work Value	Stored Material Value	Total Value	Line Contract Value	Work Certified
1	1	1	330.00	150.00	480.00	6600.00	300.00

ITEMS

Tax Lines

(1)	Item No	Item Name	Application Net Value	This Manual Tax Base Amount	This Application Tax Amount	This Application Gross Valuation	Item Description	Valuation Method	Valuation Value	Pr
<input checked="" type="checkbox"/>	12	12	156.73		27.56	180.65	12	Progress	5	
<input type="checkbox"/>	11	11	116.64		26.83	143.47	11	Progress	5	
<input type="checkbox"/>	10	10	76.54		14.43	94.62	10	Progress	5	

Additionally, the **Manual Tax Base Amount** can be defined in **Contract Change Orders** created for sales contracts. This value is treated as a total amount, not a per-unit value.

- If a value is entered in the **Manual Tax Base Amount** field, it will be used for tax calculations.
- If no value is entered, the **Net Change** will be considered instead.

When a sales contract change order is connected to the contract, both the **Manual Tax Base Amount** and the corresponding **Tax Amount** are copied into the related sales contract revision and items.

Contract Management > Contract Change Management > Contract Change Order

## Contract Change Order

Search (29)

1 - CCO1 27 of 29

Change Order No: 1  
 Change Order Name\*: CCO1  
 Company: CM-INDIA  
 B2B Status:

Sales Contract No: SALES-2  
 Revision No: 1  
 Currency: INR  
 Parent Change Order:  
 Relations Exists: No

Cost/Revenue Summary: Up To Date  
 Connected to Contract: Yes  
 Changes Pending to Contract: No

GENERAL | **CONTRACT ITEMS** | FINANCIAL - THIS ORDER | FINANCIAL - TOTAL SUB ORDERS | RELATED SUB ORDERS | OBJECT CONNECTIONS | CONTACTS | TASKS | HISTORY | IMPACT

Line No	Line Description	Item No	Item Name	Net Change	Manual Tax Base Amount	HSN/SAC Code	Tax Calculation Structure	Tax Amount	Calcu Meth
1 - L1		2	Item 2	8000.00	7000.00	MTB1000 - Repair	MTB-INTRA1	1380.00	Fixed
1 - L1		3	Item 3	5000.00		1000 - Repair	INTRA1	900.00	Fixed

When a project invoice is generated from an **Application for Payment (AFP)**:

- If the **Copy Contract Item Tax** setting on the **Sales Contract** is enabled;
  - All tax-related information from the AFP items is transferred to the corresponding project invoice line.
  - Specifically, the sum of the **Manual Tax Base Amount** values from the relevant AFP items are copied into the **Manual Tax Base Amount** field of the corresponding project invoice line.
- If the **Copy Contract Item Tax** setting is not enabled;
  - The **Manual Tax Base Amount** will not be copied from the AFP to the project invoice and will remain blank.
  - In this case, tax information will be retrieved based on the existing tax setup, and tax amounts will be calculated accordingly.

It is also possible to manually enter a **Manual Tax Base Amount** on debit project invoices while they are in preliminary status.

- If a value is entered, it will be used as the tax base amount for tax calculations.
- If no value is entered, the **Net Amount** will be used instead.
- The **Manual Tax Base Amount** field is not editable on credit project invoices.

Project Management > Invoicing > Project Invoice

## Project Invoice

Search (23)

PR - 213903 1 of 23

Notes Invoice Text Printout Send and Release Invoice Customer Installment Plan

Customer CMIN-CUS	Customer Name India Customer	Project
Invoice No 213903	Invoice Period Start 7/1/2025	Invoice Period End* 7/31/2025

Currency	Gross Amount	Net Amount	Tax Amount
INR	1290.33	1093.50	196.83

LINES GENERAL PRE POSTING ACCOUNTING

Item ID	Report Code	HSN/SAC Code	Tax Code	Tax Percentage	Tax Calculation Structure	Multiple Tax Lines	Net Amount	Manual Tax Base Amount	Tax Amount	Gross Amount
1	MTB-CC01 - Consultant Costs	MTB1000 - Repair			MTB-INTRA1	Yes	1093.50		196.83	1290.33

### Delimitations

- The sales contract advance payment flow is not supported.

## 4.8 SCENARIOS EXPLAINING THE MANUAL TAX BASE AMOUNT

Below are some scenarios explaining the functionality of **Manual Tax Base Amount**.

### 4.8.1 SCENARIO 1 – TAX CALCULATION STRUCTURE WITH MANUAL TAX BASE AMOUNT ENABLED.

Enter a Tax Calculation Structure with the “Allow Manual Amount in Tax Base” option enabled.

Accounting Rules > Tax > Tax Calculation Structure Company INDIA

### Tax Calculation Structure

TAX\_STRUCTURE\_SC01 - TAX\_STRUCTURE\_SC01 1 of 1 Active

Structure: TAX\_STRUCTURE\_SC01 | Description: TAX\_STRUCTURE\_SC01

Structure Items

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	SGST TAX 001 - SGST TAX 001	10	No	Yes

Use the above **Tax Calculation Structure** at a Transaction line level, eg: **Manual Supplier Invoice** Line level, and enter a value in the **Manual Tax Base Amount** field.

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | **Line Information** | Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	MANUAL TAX BASE 01	INR			

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax ...	Cost Amount
1200.00	1000.00	200.00	0.00	1000.00

**Lines**

Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
1		No	TAX_STRUCTURE_SC01	1200.00	1000.00	2000.00	200.00	

Navigation: Previous | Next | Finish | Cancel

Note in **Tax Lines**, that the Tax is calculated based on the **Manual Tax Base Amount** and not the **Net Amount** of the Invoice.

1) Tax calculation of the 1st line done based on the “Manual Tax Base Amount” (2000 x 10% = 200)

✕

### Manual Supplier Invoice Tax Lines

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1200.00	1000.00	200.00	0.00
Total Tax Amount			
200.00			

#### Tax Line Details

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
2000.00	SGST TAX ...	Tax	10	100	200.00	200.00	100.00	0.00	200.00	SGST - State GST

OK
Cancel

Note: Once the **Allow Manual Amount in Tax Base** toggle in **Tax Calculation Structure** is enabled, the taxes will be calculated based on the Manual Tax Base Amount.

#### 4.8.2 SCENARIO 2 - TAX CALCULATION STRUCTURE WITH DIFFERENT STRUCTURE ITEMS SELECTED FOR BOTH, **INCLUDE PRICE IN TAX BASE AND ALLOW MANUAL AMOUNT IN TAX BASE** OPTIONS.

Enter a Tax Calculation Structure with the “Allow Manual Amount in Tax Base” toggle option enabled in one structure line item and disabled in the other structure line item.

Accounting Rules > Tax > Tax Calculation Structure
Company INDIA

TAX\_STRUCTURE\_\_SC01

Descript... TAX\_STRUCTURE...

Active

### Tax Calculation Structure

TAX\_STRUCTURE\_\_SC01 - TAX\_STRUCTURE\_\_SC01 1 of 1

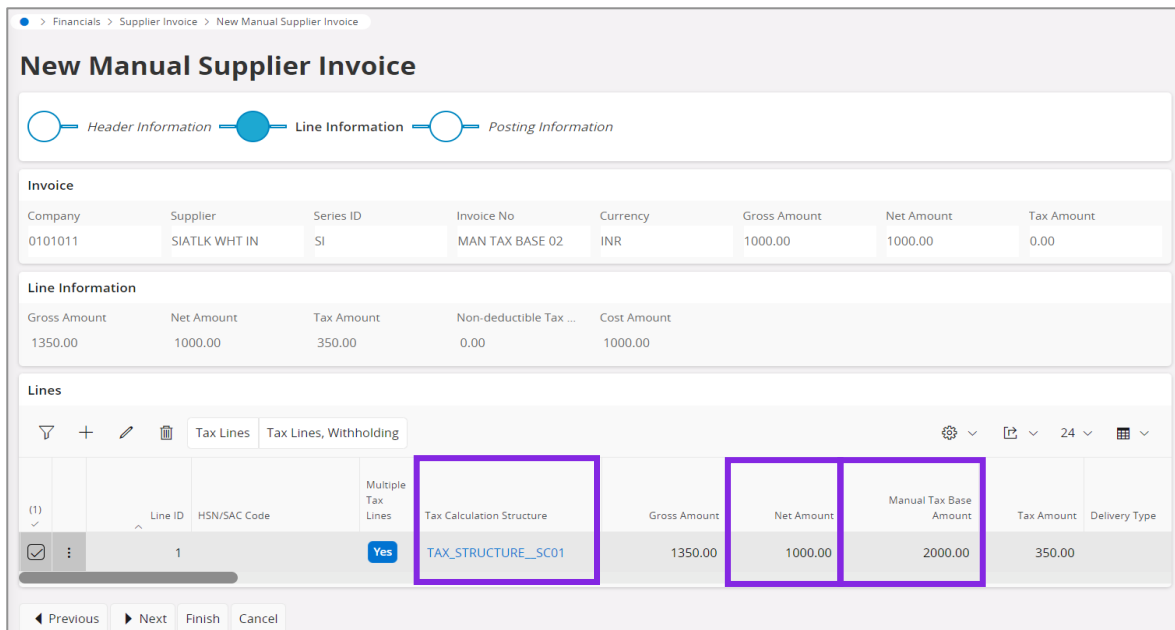
Active

Structure	Description
TAX_STRUCTURE__SC01	TAX_STRUCTURE__SC01

#### Structure Items

(1)	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input checked="" type="checkbox"/>	1	1	SGST TAX 001 - SGST TAX 001	10	Yes	No
<input type="checkbox"/>	2	2	CGST TAX 001 - CGST TAX 001	12.5	No	Yes

Use the above **Tax Calculation Structure** at a Transaction level, e.g.: **Manual Supplier Invoice** Line level and enter a value in the **Manual Tax Base Amount** field.



**New Manual Supplier Invoice**

Header Information — Line Information — Posting Information

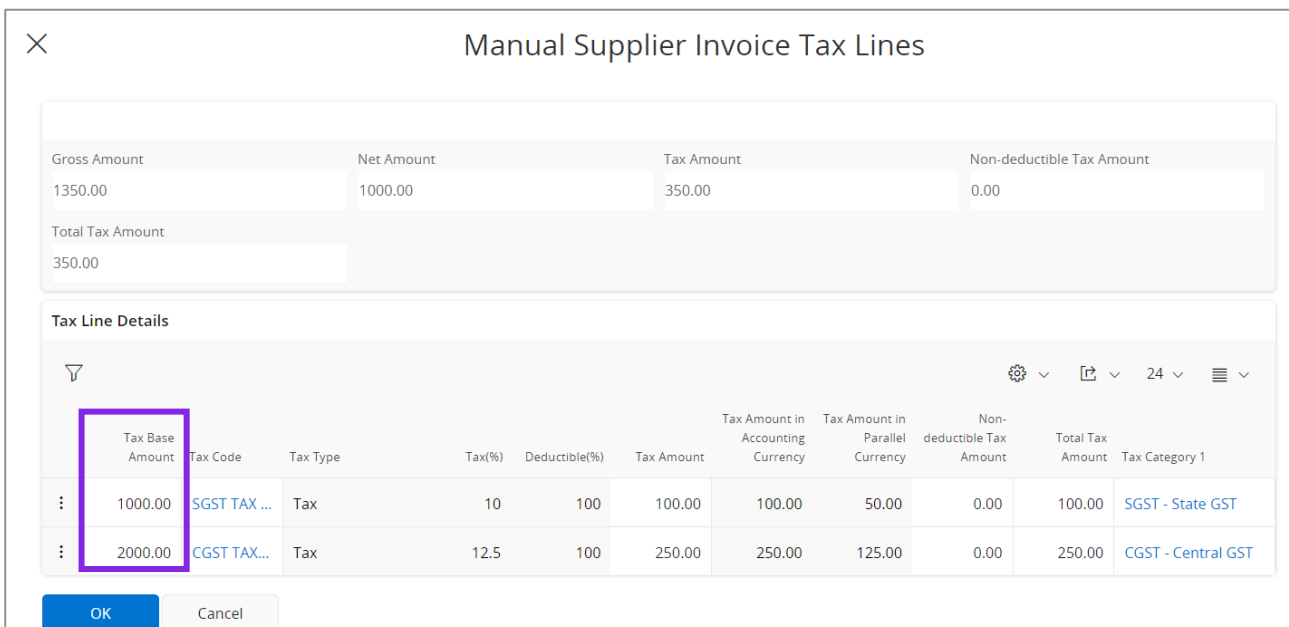
Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	MAN TAX BASE 02	INR	1000.00	1000.00	0.00

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax ...	Cost Amount
1350.00	1000.00	350.00	0.00	1000.00

Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
1		Yes	TAX_STRUCTURE_SCO1	1350.00	1000.00	2000.00	350.00	

Note in **Tax Lines**, that the tax in Tax line 1 is calculated based on the **Net Amount** of the Invoice and the tax in Tax line 2 is calculated based on the **Manual Tax Base Amount**.

- 1) Tax calculation of the 1st line done based on the "Net Amount" ( $1000 \times 10\% = 100$ )
- 2) Tax calculation of the 2nd line done based on "Manual Base Amount" ( $2000 \times 12.5\% = 250$ )



**Manual Supplier Invoice Tax Lines**

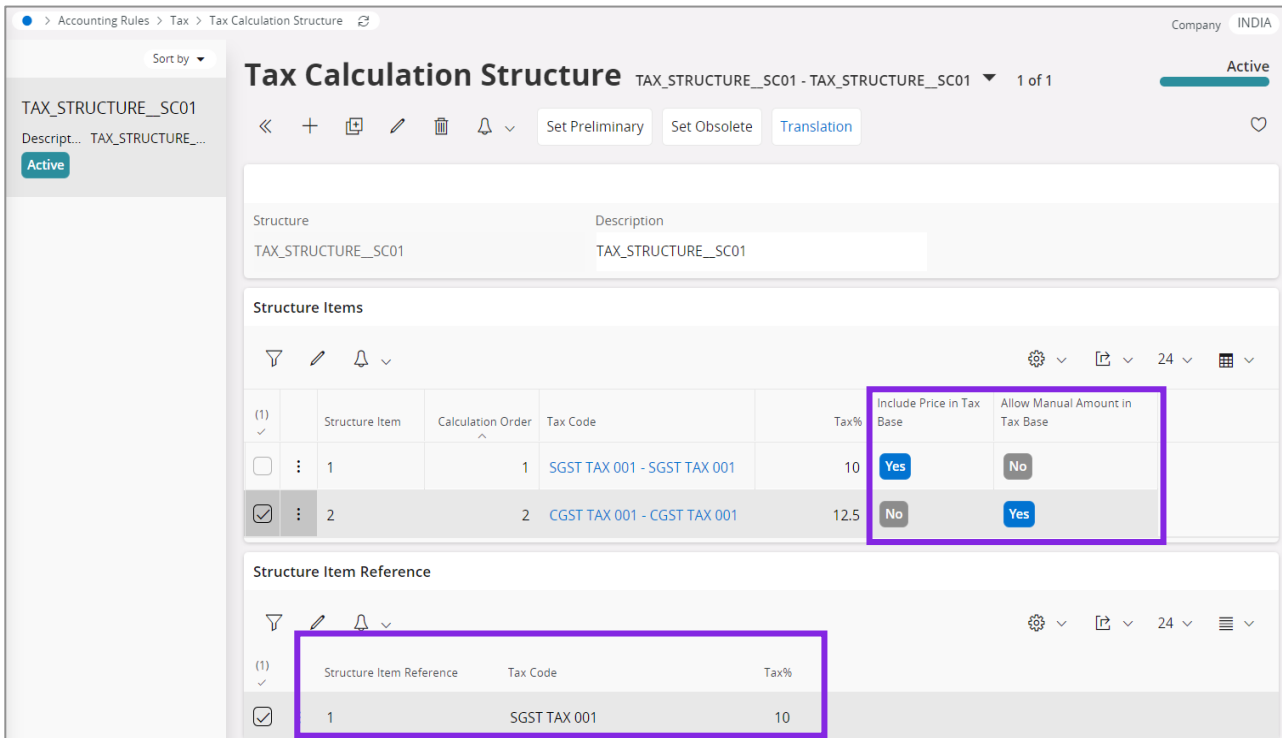
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1350.00	1000.00	350.00	0.00
Total Tax Amount: 350.00			

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
1000.00	SGST TAX ...	Tax	10	100	100.00	100.00	50.00	0.00	100.00	SGST - State GST
2000.00	CGST TAX...	Tax	12.5	100	250.00	250.00	125.00	0.00	250.00	CGST - Central GST

OK Cancel

### 4.8.3 SCENARIO 3 - TAX CALCULATION STRUCTURE WITH DIFFERENT STRUCTURE ITEMS ASSIGNED FOR BOTH OPTIONS AND CONNECTED TO A STRUCTURE ITEM REFERENCE.

Enter a Tax Calculation Structure with the “Allow Manual Amount in Tax Base” option enabled in one structure line and disabled in the other structure line with a Structure Item Reference for line 2.



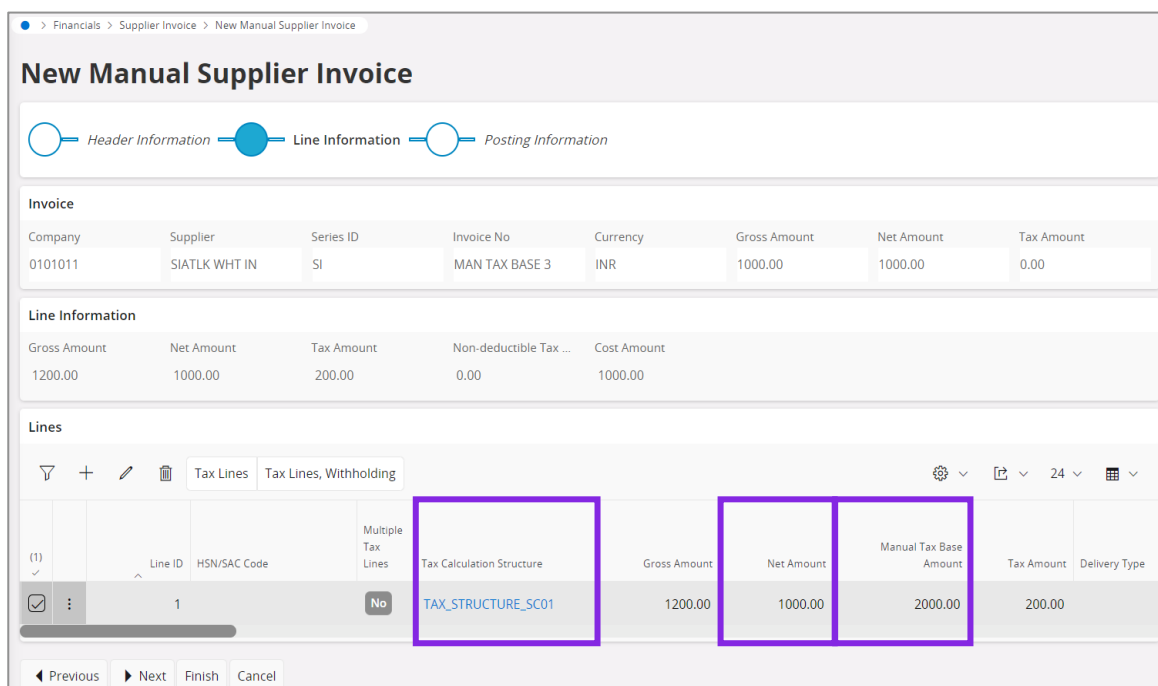
**Tax Calculation Structure** TAX\_STRUCTURE\_SC01 - TAX\_STRUCTURE\_SC01 1 of 1

Structure: TAX\_STRUCTURE\_SC01, Description: TAX\_STRUCTURE\_SC01

(1) ✓	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input type="checkbox"/>	1	1	SGST TAX 001 - SGST TAX 001	10	Yes	No
<input checked="" type="checkbox"/>	2	2	CGST TAX 001 - CGST TAX 001	12.5	No	Yes

(1) ✓	Structure Item Reference	Tax Code	Tax%
<input checked="" type="checkbox"/>	1	SGST TAX 001	10

Use the above **Tax Calculation Structure** at a Transaction level, e.g.: **Manual Supplier Invoice** Line level and enter a value in the **Manual Tax Base Amount** field.



**New Manual Supplier Invoice**

Header Information | Line Information | Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	MAN TAX BASE 3	INR	1000.00	1000.00	0.00

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax ...	Cost Amount
1200.00	1000.00	200.00	0.00	1000.00

**Lines**

(1) ✓	Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
<input checked="" type="checkbox"/>	1		No	TAX_STRUCTURE_SC01	1200.00	1000.00	2000.00	200.00	

◀ Previous ▶ Next Finish Cancel

Note that in **Tax Lines**, the tax in line 1 is calculated based on the **Net Amount** of the invoice and the tax in line 2 is calculated based on the Manual Tax Base Amount and tax calculated in line 1.

- 1) Tax calculation of the 1st line done based on the “Net Amount” (1000 x 10% = 100)
- 2) Tax calculation of the 2nd line done based on the “Manual Base Amount” and “Tax in 1st Line” (2100 x 12.5%=262.5)

### Manual Supplier Invoice Tax Lines

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1362.50	1000.00	362.50	0.00
Total Tax Amount			
362.50			

#### Tax Line Details

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
:	1000.00	SGST TAX ...	Tax	10	100	100.00	100.00	50.00	0.00	100.00	SGST - State GST
:	2100.00	CGST TAX...	Tax	12.5	100	262.50	262.50	131.25	0.00	262.50	CGST - Central GST

OK
Cancel

#### 4.8.4 SCENARIO 4 – TAX CALCULATION STRUCTURE WITH MANUAL TAX BASE AMOUNT ENABLED BUT, NO MANUAL TAX BASE AMOUNT IS ENTERED TO INVOICE LINES. Enter a Tax Calculation Structure with the “Allow Manual Amount in Tax Base” option selected.

Accounting Rules > Tax > Tax Calculation Structure
Company INDIA

## Tax Calculation Structure

TAX\_STRUCTURE\_SC01 - TAX\_STRUCTURE\_SC01 1 of 1 Active

Structure
Description

TAX\_STRUCTURE\_SC01
TAX\_STRUCTURE\_SC01

#### Structure Items

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	SGST TAX 001 - SGST TAX 001	10	No	Yes

Use the above **Tax Calculation Structure** at a Transaction level, e.g.: **Manual Supplier Invoice** Line level and leave the **Manual Tax Base Amount** field blank.

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | **Line Information** | Posting Information

Invoice							
Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	MAN TAX BASE 01	INR	1000.00	1000.00	0.00

Line Information				
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax ...	Cost Amount
1000.00	1000.00	0.00	0.00	1000.00

Lines

Tax Lines | Tax Lines, Withholding

Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
1		No	TAX_STRUCTURE_SC01	1000.00	1000.00		0.00	

Previous | Next | Finish | Cancel

### Manual Supplier Invoice Tax Lines

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1000.00	1000.00	0.00	0.00
Total Tax Amount			
0.00			

Tax Line Details

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
0.00	SGST TAX ...	Tax	10	100	0.00	0.00	0.00	0.00	0.00	SGST - State GST

OK | Cancel

Note in **Tax Lines**, that the Tax is calculated based on the **Manual Tax Base Amount** which is zero. The **Net Amount** of the invoice is not automatically considered as the tax base because the **Include Price in Tax Base** toggle is disabled in the **Tax Calculation Structure**.

#### 4.8.5 SCENARIO 5 – TAX CALCULATION STRUCTURE WITH BOTH ALLOW MANUAL TAX BASE AMOUNT AND INCLUDE PRICE IN TAX BASE ENABLED.

Enter a Tax Calculation Structure with both “Allow Manual Amount in Tax Base” and “Include Price in Tax Base” options selected.

Accounting Rules > Tax > Tax Calculation Structure Company: INDIA

### Tax Calculation Structure

TAX\_STRUCTURE\_\_SC01 - TAX\_STRUCTURE\_\_SC01 1 of 1 Active

Structure: TAX\_STRUCTURE\_\_SC01 | Description: TAX\_STRUCTURE\_\_SC01

Structure Items

(1)	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input checked="" type="checkbox"/>	1	1	SGST TAX 001 - SGST TAX 001	10	Yes	Yes

Use the above **Tax Calculation Structure** at a Transaction level, e.g.: **Manual Supplier Invoice** Line level and enter a value in the **Manual Tax Base Amount** field.

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | **Line Information** | Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	MAN TAX BASE 01	INR			

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax ...	Cost Amount
1100.00	1000.00	100.00	0.00	1000.00

**Lines**

(1)	Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
<input checked="" type="checkbox"/>	1		No	TAX_STRUCTURE__SC01	1100.00	1000.00		100.00	

Navigation: Previous | Next | Finish | Cancel

Note in **Tax Lines**, that the Tax is calculated based on the **Net Amount** of the Invoice, even if the **Manual Tax Base Amount** field is left blank.

1) Tax calculation of the 1st line done based on the "Net Amount" (1000 x 10% = 100)

### Manual Supplier Invoice Tax Lines

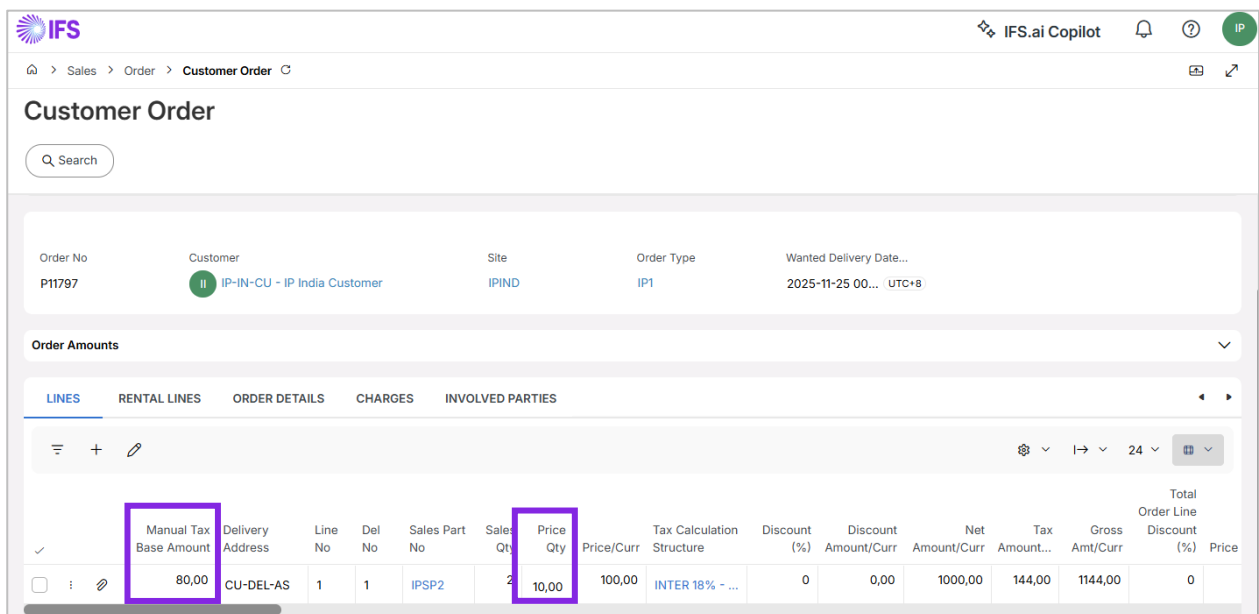
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1100.00	1000.00	100.00	0.00
<b>Total Tax Amount</b>			
100.00			

#### Tax Line Details

Manual Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
1000.00	SGST TAX ...	Tax	10	100	100.00	100.00	50.00	0.00	100.00	SGST - State GST

Note: The column, **Manual Tax Base amount**, is a per unit value. As the **Net amount**, the value in tax lines for the **Tax base amount** is considering the quantity of the part and the total **Manual Tax Base Amount** is fetched to the tax lines. Some exceptions to this are the **Manual Supplier Invoice, Project Invoice, Sales Contract Management and Sub Contract Management** where the **Manual Tax Base Amount** is a total amount, and the quantity of the part is not considered.



Customer Order

Order No: P11797 | Customer: IP-IN-CU - IP India Customer | Site: IPIND | Order Type: IP1 | Wanted Delivery Date: 2025-11-25 00:00 UTC+8

Order Amounts

Tabs: LINES | RENTAL LINES | ORDER DETAILS | CHARGES | INVOLVED PARTIES

Manual Tax Base Amount	Delivery Address	Line No	Del No	Sales Part No	Sales Qty	Price Qty	Price/Curr	Tax Calculation Structure	Discount (%)	Discount Amount/Curr	Net Amount/Curr	Tax Amount...	Gross Amt/Curr	Total Order Line Discount (%)	Price
80,00	CU-DEL-AS	1	1	IPSP2	2	10,00	100,00	INTER 18% - ...	0	0,00	1000,00	144,00	1144,00	0	

Customer Order Line Tax Lines																																		
Gross Amount		Net Amount			Tax Amount																													
870,00		500,00			370,00																													
<table border="1"> <thead> <tr> <th></th> <th>Tax Base Amount</th> <th>Tax Code</th> <th>Tax Type</th> <th>Tax(%)</th> <th>Tax Amount/Curr</th> <th>Tax Amount/Base</th> </tr> </thead> <tbody> <tr> <td>:</td> <td>1000,00</td> <td>1</td> <td>Tax</td> <td>25</td> <td>250,00</td> <td>250,00</td> </tr> <tr> <td>:</td> <td>500,00</td> <td>2</td> <td>Tax</td> <td>12</td> <td>60,00</td> <td>60,00</td> </tr> <tr> <td>:</td> <td>1000,00</td> <td>3</td> <td>Tax</td> <td>6</td> <td>60,00</td> <td>60,00</td> </tr> </tbody> </table>								Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base	:	1000,00	1	Tax	25	250,00	250,00	:	500,00	2	Tax	12	60,00	60,00	:	1000,00	3	Tax	6	60,00	60,00
	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base																												
:	1000,00	1	Tax	25	250,00	250,00																												
:	500,00	2	Tax	12	60,00	60,00																												
:	1000,00	3	Tax	6	60,00	60,00																												
OK		Cancel																																

### 4.9 Tax Transactions

Once the core process to bring Tax Information to the **Tax Transactions** page is followed, i.e., **Update GL Vouchers** and **Fetch Tax Ledger Information**, the above Manual Tax Base Amount information will be made visible in the **Tax Transactions** page.

When Manual Tax Base Amount is utilized as the base for tax calculation, the Tax Base Amount referred to on the **Tax Transactions** page will be replicated by the **Manual Tax Base Amount**. However, for enhanced usability for the user, a new column named, **Manual Tax Base Amount** has been added to the **Tax Transactions** page, to separately indicate the tax transactions calculated based on Manual Tax Base Amount. Accordingly, the Manual Tax Base Amount in Accounting currency will be displayed in the **Manual Tax Base Amount** column on the **Tax Transactions** page.

Tax Transactions										
Series ID	Voucher No	Trans Code	Tax Code	Tax Base Amount	Manual Tax Base Amount	Tax Amount	Voucher Date	Tax Category 1	HSN/SAC Code	
SI	2022000095	IP3	SGST TAX 001	250.00		25.00	12/8/2022	SGST - State GST		
SI	2022000093	IP3	SGST TAX 001	2680.00	2680.00	268.00	12/6/2022	SGST - State GST		
SI	2022000094	IP3	SGST TAX 001	10720.00	10720.00	1072.00	12/6/2022	SGST - State GST		
SI	2022000080	IP3	SGST TAX 001	5625.00		562.50	11/18/2022	SGST - State GST		
SI	2022000087	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST		
SI	2022000088	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST		
SI	2022000089	IP3	SGST TAX 001	8000.00	8000.00	800.00	12/6/2022	SGST - State GST		
SI	2022000090	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST		
SI	2022000083	IP3	SGST TAX 001	8000.00	8000.00	800.00	12/2/2022	SGST - State GST		
SI	2022000084	IP3	SGST TAX 001	8000.00	8000.00	800.00	12/2/2022	SGST - State GST		

## 4.10 Manual Tax Base in Overview & Analysis Pages

A new column, **Manual Tax Base Amount** is introduced to below Overview and Analysis pages,

- **Customer Order Lines**
- **Return Material Authorization Lines**
- **Purchase Order Lines**
- **Purchase Order Change Order Lines**

This new column is only available to view the **Manual Tax Base Amount** for the applicable lines and cannot be edited.

## 4.11 Delimitations

**Manual Tax Base Amount** functionality is only available on the below pages in the application.

Sales,

- Customer Order
- Customer Invoice
- Return Material Authorization

Procurement,

- Purchase Order
  - Purchase Order Change Order
  - Manual Supplier Invoice
  - Posting Proposal
- The functionality is not available for **Charges** in above mentioned pages
  - This functionality is also available in the following flows:
    - Project Reporting
    - Sales Contract Management
    - Sub Contract Management
  - However, the following limitations apply:
    - Multi-Company Project Reporting is not supported.
    - Project Reporting for Contractors is not supported.
    - Sales Contract Advance Payment Flow is not supported.
    - Sub Contract Self-Billing invoice flow is not supported.
  - This functionality is not available in **Supplier Self Billing Invoices, Customer Self Billing Invoices** and **Supplier Invoice Template**.
  - All the other flows which require to add Manual Tax Base Amount need to be handled by respective customer projects.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 5 HSN/SAC Codes Basic Data Setting and Fetch Tax Structure via HSN/SAC Codes

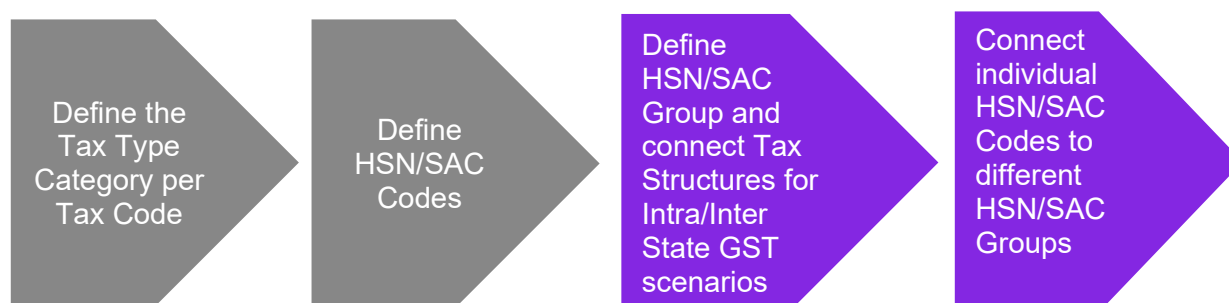
### 5.1 Overview Legal Requirement

In the GST regime all supply of good must be identified by a HSN code (Harmonized System Nomenclature). Which means each item has to be tagged to a HSN code. All tax reporting to the government must be done against the HSN code.

All services must be identified by a SAC code (Services Accounting Code). All supplies must be tagged to the SAC code and tax reporting to the government would be done using the SAC code of the service.

HSN/SAC Codes need to be mentioned in invoices and in the GST tax return details, which will be uploaded on the GST portal.

### 5.2 Process Overview



### 5.3 Solution Overview

To comply with the legal requirements, two new pages has been added; **HSN/SAC Codes** (core functionality) and **HSN/SAC Groups** (India localization functionality). These pages are used to define HSN/SAC Codes applicable to your business and group the codes according to GST slabs. When you enter business transactions into IFS Cloud, relevant HSN/SAC Codes and Tax Calculation Structures will be automatically fetched.

### 5.4 Prerequisites

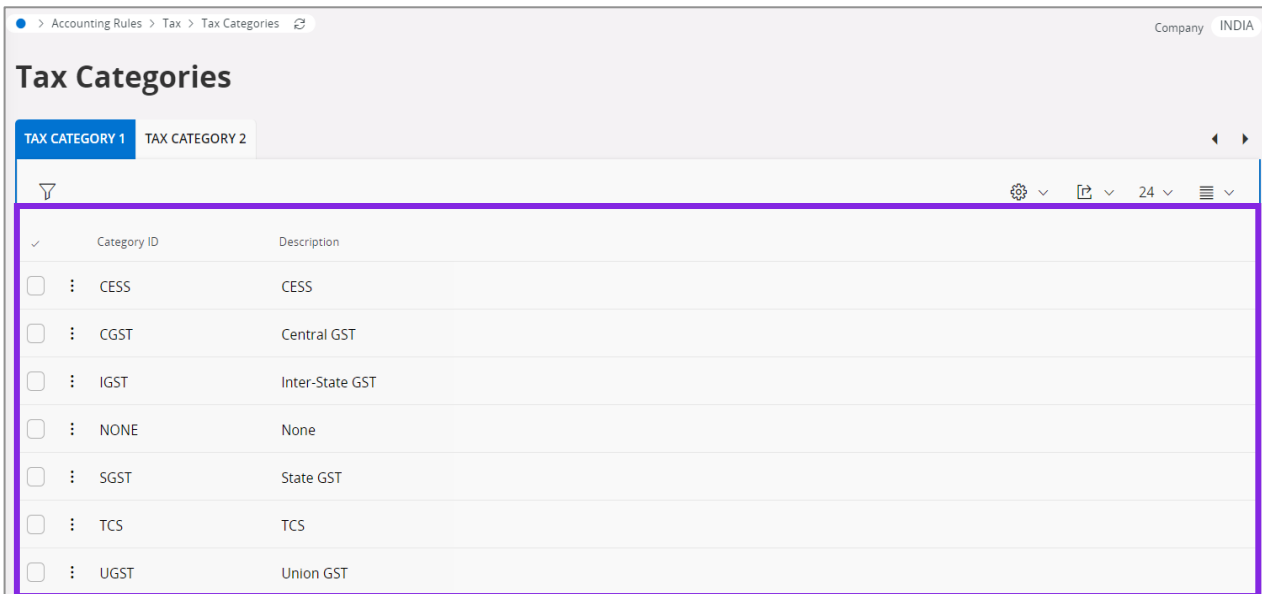
The company must be set-up to use the Indian localization. See the [Company Setup](#) chapter. The “HSN/SAC Codes and Intra/Inter State Tax Rate Fetching” localization parameter must be enabled.

### 5.5 Define Tax Type category per Tax code

Owing to multiple tax handling in India, it is required to categorize Indian-specific tax transactions for reporting purposes. The tax codes are expected to be categorized under the below groups.

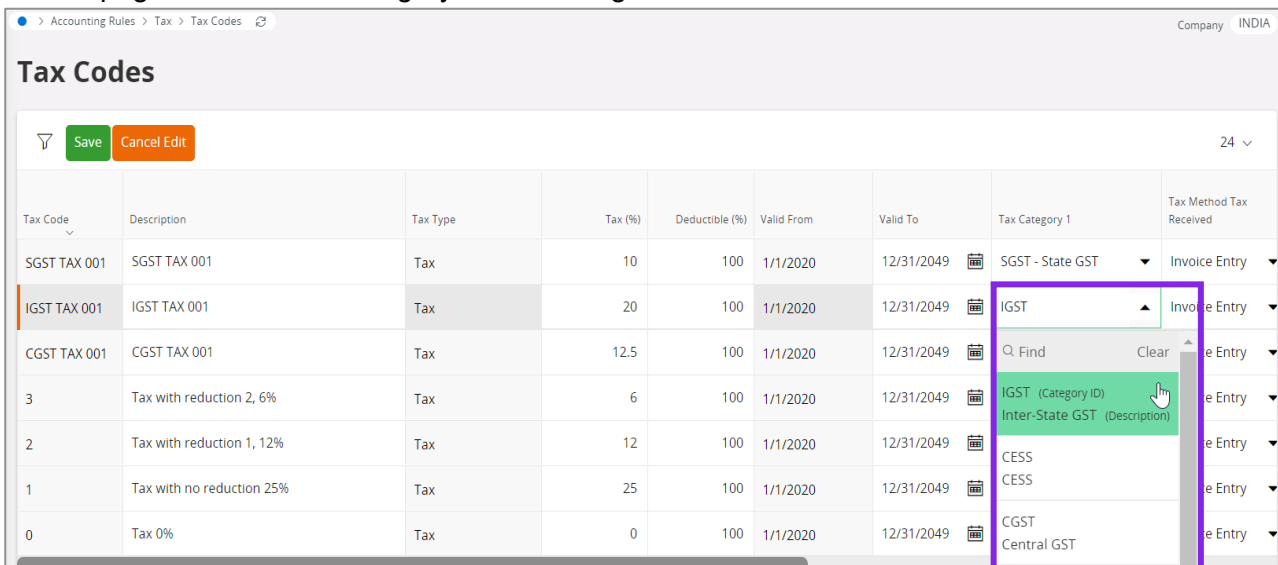
- CGST – Central Goods and Services Tax
- SGST – State Goods and Services Tax
- UGST – Union Goods and Services Tax
- IGST – Integrated Goods and Services Tax
- CESS – Cess
- TCS – TCS

Catering to the requirement, the above-mentioned tax categories are included in the **Tax Categories** page as un-editable values after “Indian Localization” is selected for the companies created using the company template, STD-IN-Indian Standard Template.



Category ID	Description
CESS	CESS
CGST	Central GST
IGST	Inter-State GST
NONE	None
SGST	State GST
TCS	TCS
UGST	Union GST

The above information will be then visible in the list of values in the **Tax Categories** field of the **Tax Codes** page so that a tax category can be assigned to relevant Tax Codes.



Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Category 1	Tax Method Tax Received
SGST TAX 001	SGST TAX 001	Tax	10	100	1/1/2020	12/31/2049	SGST - State GST	Invoice Entry
IGST TAX 001	IGST TAX 001	Tax	20	100	1/1/2020	12/31/2049	IGST	Invoice Entry
CGST TAX 001	CGST TAX 001	Tax	12.5	100	1/1/2020	12/31/2049	CGST - State GST	Invoice Entry
3	Tax with reduction 2, 6%	Tax	6	100	1/1/2020	12/31/2049	CGST - State GST	Invoice Entry
2	Tax with reduction 1, 12%	Tax	12	100	1/1/2020	12/31/2049	CGST - State GST	Invoice Entry
1	Tax with no reduction 25%	Tax	25	100	1/1/2020	12/31/2049	CGST - State GST	Invoice Entry
0	Tax 0%	Tax	0	100	1/1/2020	12/31/2049	CGST - State GST	Invoice Entry

Note that the field **Tax Categories 1** is made mandatory to be included in tax codes and, if any tax code is not required to be categorized, the user can utilize the option “NONE”.

Once a tax category is assigned to a tax code, every tax transaction driven by that tax code will carry the specified **Tax category 1** information and is visible in line-item level and tax lines up until **Tax Transactions** page in IFS Tax Ledger solution.

Financials > Tax Ledger > Tax Transactions Company: INDIA

### Tax Transactions

Calculate Income Amount

✓	Series ID	Voucher No	Trans Code	Tax Code	Tax Base Amount	Manual Tax Base Amount	Tax Amount	Voucher Date	Tax Category 1	HSN/SAC Code	To State
<input type="checkbox"/>	II	2022000023	IP4	SGST TAX 001	-4.00	4.00	-0.40	12/18/2022	SGST - State GST	4987598257 - Bulbs	DL
<input type="checkbox"/>	II	2022000024	IP4	SGST TAX 001	100.00	-100.00	10.00	12/18/2022	SGST - State GST	102039 - Battery	DL
<input type="checkbox"/>	II	2022000027	IP4	SGST TAX 001	-100.00	100.00	-10.00	12/18/2022	SGST - State GST	102039 - Battery	DL
<input type="checkbox"/>	II	2022000028	IP4	SGST TAX 001	-1000.00		-100.00	12/18/2022	SGST - State GST		DL

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	TAX CATEGORIES	INR			

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Am...	Cost Amount
2225.00	2000.00	225.00	0.00	2000.00

**Lines**

Tax Lines | Tax Lines, Withholding

(1)	✓	Tax Code	Tax Category 1	Tax (%)	Tax Method Tax Received	Customs Declaration Number	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Cost Amount	Total Tax Amount
<input type="checkbox"/>		CGST TAX 001	CGST - Central GST	12.5	Invoice		125.00	62.50	0.00	1000.00	125.00
<input checked="" type="checkbox"/>		SGST TAX 001	SGST - State GST	10	Invoice		100.00	50.00	0.00	1000.00	100.00

◀ Previous | ▶ Next | Finish | Cancel

Tax amounts accumulated under different Tax Categories (Predominantly, CGST, SGST, IGST and UGST) for a particular invoice are identified separately in the RDF level of the **Instant Invoice, Customer Order Invoices and Collective Invoices**. Note that, any withholding taxes accumulated under the **Instant Invoice** will not be shown under any Tax Category in RDF level, even if a Tax Category is assigned for the same.




Note: The functionality catered by **Tax Category 1** column above was handled via a column named **"Tax Type Category"** in APPs10 GET Solution. An upgrade handling is facilitated for the customers shifting their application from AppS10 GET to IFS Cloud 23R1 in order to make sure the smooth data transfer between these two different solutions.

## 5.6 Define HSN/SAC Codes

HSN stands for Harmonized System of Nomenclature. It is the codification of all the trading goods into various sections. SAC stands for Service Accounting Codes which are adopted by the Central Board of Excise and Customs (CBEC) for identification of the services.

Under the Indian GST law, every commodity, service and business transaction need to be identified with an HSN/SAC Code.

- Use the page **HSN/SAC Codes** to define HSN/SAC Codes relevant to your business.
- Use the **HSN/SAC Type** field to define if the code is of type service or goods.

HSN and SAC Codes			
  			
✓	HSN/SAC Code	HSN/SAC Code Description	HSN/SAC Type
<input type="checkbox"/>	: 123456789	Plastics	Goods
<input type="checkbox"/>	: 123HC	Haircut	Service
<input type="checkbox"/>	: 22223333LT	Laptop	Goods
<input type="checkbox"/>	: 33333	Repair	Service

## 5.7 HSN/SAC Groups and Intra/Inter-state Tax Structures

The government categorizes various goods and services items under different tax slabs. As per the most available information, the GST slabs are pegged at 5%, 12%, 18% and 28%.

Use the **HSN/SAC Groups** page to define the above GST slabs. Once the HSN/SAC Group is defined according to the GST slabs applicable to your business, in the next step, you can connect the appropriate intra-state and Inter inter-state tax Calculation Structures to each group accordingly.

Accounting Rules > Tax > HSN and SAC Basic Data > HSN and SAC Groups

## HSN and SAC Groups

Q Search

>> 12% - 12% ▼

+ [ ] [ ] [ ] [ ] [ ] [ ]

HSN/SAC Group: 12%

HSN/SAC Group Description \*: 12%

**GENERAL INFORMATION** | SUPPLY CHAIN INFORMATION

Intra State Tax Calculation Structure \*: INTRASTATE 12% - Intrastate 12%

Inter State Tax Calculation Structure \*: INTERSTATE 12% - Interstate 12%

**HSN and SAC Codes Per Group**

🔍 + ✎

Show Only Valid Codes

✓	HSN/SAC Codes	Valid From
<input type="checkbox"/>	: BANANA - banana	2025-01-09
<input type="checkbox"/>	: HAIRCUT - HAIRCUT	2025-01-06

For the Intracompany Goods movement, when moving goods between sites in the same company, you can connect separate Tax Calculation Structures to each HSN/SAC Group accordingly. These Tax Calculation Structures entered is the default Tax Calculation Structures for the intracompany goods movement process. If no Tax Calculation Structure entered in these fields, you must manually enter taxes in the transactions for the intracompany scenarios.

Accounting Rules > Tax > HSN and SAC Basic Data > HSN and SAC Groups

## HSN and SAC Groups

Search

>> 12% - 12%

+ [Icons]

HSN/SAC Group: 12%      HSN/SAC Group Description \*: 12%

GENERAL INFORMATION    **SUPPLY CHAIN INFORMATION**

Intra State Goods Movement Tax Calculation Structure: INTRASTATE 12% - Intrastate 12%

Inter State Goods Movement Tax Calculation Structure: INTERSTATE 12% - Interstate 12%

### HSN and SAC Codes Per Group

Show Only Valid Codes [Apply] Settings

HSN/SAC Codes	Valid From
<input type="checkbox"/> BANANA - banana	2025-01-09

In HSN/SAC Codes per Group section you can connect the HSN/SAC codes that are applicable for each HSN/SAC Group. Since the HSN/SAC codes are subject to rate changes by the government the Valid From field is added to give the possibility of connecting the same HSN/SAC Code to several groups, with different valid from dates.

HSN/SAC Code connected to a HSN/SAC Group with valid from date today or in the past, is considered valid until the valid from date occurs for the same HSN/SAC Code connected to another HSN/SAC Group.

For example:

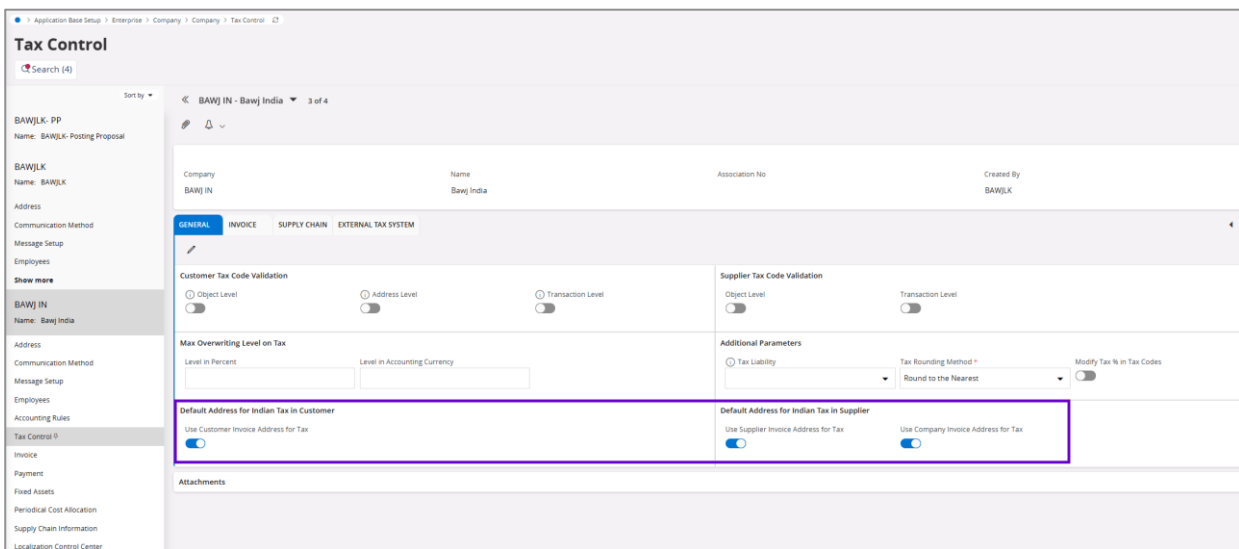
HSN/SAC Code	HSN/SAC Group	Valid From
78456989	5%	01/01/2023
78456989	12%	01/02/2023

In this scenario, 78456989 – 5% will be valid until the end of the day 31/01/2023. 78456989 – 12% will be valid from the beginning of the day 01/02/2023.

## 5.8 Default Address for Indian Tax

In order to determine whether a transaction is Interstate or Intrastate, **the buyer's state** would be identified from the buyer's delivery address and **the seller's state** would be identified from the seller's delivery address for comparison. However, the option to utilize the invoice address is available through the toggles named **Use Customer Invoice Address/Document for Tax**, **Use Company Invoice/Document Address for Tax** and **Use Supplier Invoice/ Document Address for Tax** at the transaction header level.

The default setting of the above toggles can be predetermined at the **Company / Tax Control / General / Default address for Indian Tax in Supplier** and **Default address for Indian Tax in Customer** sections available for Indian user who has LCC parameter HSN/SAC Codes and Intra/Inter State Tax Rates Fetching enabled.



The screenshot displays the 'Tax Control' configuration interface for company 'BAWJ IN'. The left sidebar lists various configuration areas, with 'Tax Control' selected. The main content area shows a table of tax control settings. Two sections are highlighted with a purple box:

- Default Address for Indian Tax in Customer:** Contains a toggle for 'Use Customer Invoice Address for Tax' which is currently turned on.
- Default Address for Indian Tax in Supplier:** Contains two toggles: 'Use Supplier Invoice Address for Tax' and 'Use Company Invoice Address for Tax', both of which are currently turned on.

Accordingly, if above toggles are enabled, it will automatically set all relevant **Use Supplier/Customer/Company Invoice/Document Address for Tax Calculation** toggles in IFS Cloud to the enabled state, ensuring that the invoice address is used for tax determination in India by default. If this option is disabled, the delivery address will be used for tax determination instead. For Example, if Use Customer Invoice Address for Tax Calculation available in **Company / Tax Control / General / Default address for Indian Tax in Customer** is enabled, all **Use Customer Invoice/Document Address for Tax Calculation** toggles in IFS Cloud will be set to enabled. However, for business flows such as creating a Customer Invoice from a Customer Order, the behavior of the **Use Customer Invoice/Document Address for Tax Calculation** toggle set at Order level will be passed on to the Invoice level, as per the core behavior.

For example, enable the Use Customer Invoice Address for Tax toggle in **Company / Tax Control / General / Default address for Indian Tax in Customer**.

Application Base Setup > Enterprise > Company > Company > Tax Control

### Tax Control

Search (4)

Sort by

BAWJLK-PP  
Name: BAWJLK-Posting Proposal

BAWJLK  
Name: BAWJLK

Address

Communication Method

Message Setup

Employees

Show more

BAWJ IN  
Name: Bawj India

Address

Communication Method

Message Setup

Employees

Accounting Rules

Tax Control 9

Invoice

Payment

Fixed Assets

Periodical Cost Allocation

Supply Chain Information

Localization Control Center

Show less

BAWJ INDIA  
Name: BAWJ India N/A

Company: BAWJ IN | Name: Bawj India | Association No: | Created By: BAWJLK

GENERAL | INVOICE | SUPPLY CHAIN | EXTERNAL TAX SYSTEM

**Customer Tax Code Validation**

Object Level:  | Address Level:  | Transaction Level:

**Supplier Tax Code Validation**

Object Level:  | Transaction Level:

**Max Overwriting Level on Tax**

Level in Percent: | Level in Accounting Currency: |

**Default Address for Indian Tax in Customer**

Use Customer Invoice Address for Tax:

**Additional Parameters**

Tax Liability:  | Tax Rounding Method: Round to the Nearest | Modify Tax % in Tax Codes:

**Default Address for Indian Tax in Supplier**

Use Supplier Invoice Address for Tax:  | Use Company Invoice Address for Tax:

Attachments

This behavior set at company level will be passed to the customer order page.

MRO and Fleet Operations > Component MRO > Execution > Customer Order

### Customer Order

Search | Advanced | Search with Time Zone

Status | Order No | Coordinator | Customer | Customer's PO No | Wanted Delivery Date/Time | More | Favorites | Search | Saved Searches

Sort by

SIN: DL | Save | Cancel New

Order No: | Customer: | New Customer:  | Site: DL | Order Type: | Wanted Delivery Date/Time: |

**ORDER-DETAILS**

Coordinator: | Currency: | Customer's PO No: | Additional Discount: 0 | Priority: |

Reference: | Agreement ID: | Language Code: |

Salesperson: | Add Rebate Customer: | Main Representative: |

Ordering Region: | Ordering District: | Market: | Classification Stand: | Limit Sales to Assort: No | Document Text: |

Notes: |

**Delivery Settings**

Deliver-from Supplier: | Ship-Via: | Delivery Terms: |

Del Terms Location: | Route: | Forwarder: |

Customer Calendar: | External Transport Calendar: | Backorder Option: |

External Transport L: | Customs Value Curr: | Intra-stat Exempt:

**Delivery Confirmation**

Confirm Deliveries | Check Sales Group 5... | Delay Cost of Goods Sold to Delivery Confirma...

**Delivery Address**

Delivery Address: | Single Occurrence:  | Tax Free Code: |

**Document Address**

Document Address: |

**Invoice**

Tax ID: | Tax ID Validated Date: | Tax ID Error Message: |

Tax Liability: | Pay Term: | Pay Term Base Date: | Invoice Customer: |

Addr ID: | Invoice Cust Reference: | Use Price Incl Tax:  | Required Prepay Amt: 0 | Supply Country: INDIA |

Tax Paying Party for: No Tax | Customer Branch: | Invol Invoice:  | Entry Use Code: |

**Use Customer Document Address for Tax**:

Customer Delivery Tax ID Number: |

Customer Invoice Tax ID Number: | Invoice Currency: | Invoice Currency Rate Type: |

Protocol No: |

When a Customer Invoice is created from this Customer Order, the behavior of the **Use Customer Invoice/Document Address for Tax Calculation** toggle set at Order level will be passed on to the Invoice level, as per the core behavior.

Customer Invoice

Search (1)

Sort by

BAWJ CUS INDIA - BAWJ Cus India DL - 97000007 - CUSTORDDEB - V12696 1 of 1

Printed

BAWJ CUS INDIA

Customer Address Name: BAWJ Cus India DL  
 Invoice No: 97000007  
 Invoice Type: CUSTORDDEB  
 Order No: V12696  
 Printed

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
BAWJ CUS INDIA	BAWJ Cus India DL	CD	97000007	BAWJ (N - Bawj) India	DL	2/26/2025	2/26/2025

Amounts

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
INR	1150.00	1000.00	150.00	1	1

LINES

GENERAL HISTORY

Invoice Type: CUSTORDDEB - Customer Order Invoice, Debit  
 Invoice Address: INDIA 123  
 Invoice Date: 2/26/2025  
 Printed Date: 2/26/2025  
 Preliminary Invoice No: 214657  
 Our Reference: Harald Hess  
 Customer Reference: [Dropdown]  
 Customer Reference Name: [Dropdown]  
 Branch: [Dropdown]  
 Customer Branch: [Dropdown]  
 Process Type: [Dropdown]  
 Initial Status: Non Jmsal

Indicators

Price Adjustment	Advance/Prepayment Invoice	Use Price Incl Tax
No	No	No

Notes: [Dropdown]  
 Correction Exist: No  
 Correction Invoice: No  
 Correction Reason ID: [Dropdown]  
 Correction Reason: [Dropdown]

Payment: [Dropdown]  
 Delivery: [Dropdown]

References: [Dropdown]  
 Invoice Text: [Dropdown]

Tax Registration Details

Customer Invoice Tax ID Number: [Dropdown]  
 Customer Delivery Tax ID Number: [Dropdown]

Use Customer Invoice Address for Tax:

In situations where multiple transactions with different **Use Invoice address** toggle behaviors are involved in a functional flow, such as when creating a Manual Supplier Invoice from multiple Purchase Orders with different **Use Invoice address** toggle behaviors, the company-level default behavior will be fetched to direct the flow to the next page. This ensures consistency in handling various toggle scenarios while maintaining the default settings at the company level. However, the user can manually change any fetched values in transaction pages.

## 6 HSN/SAC Codes and Intra/Inter State Tax Rates Fetching

### 6.1 Overview Legal Requirement

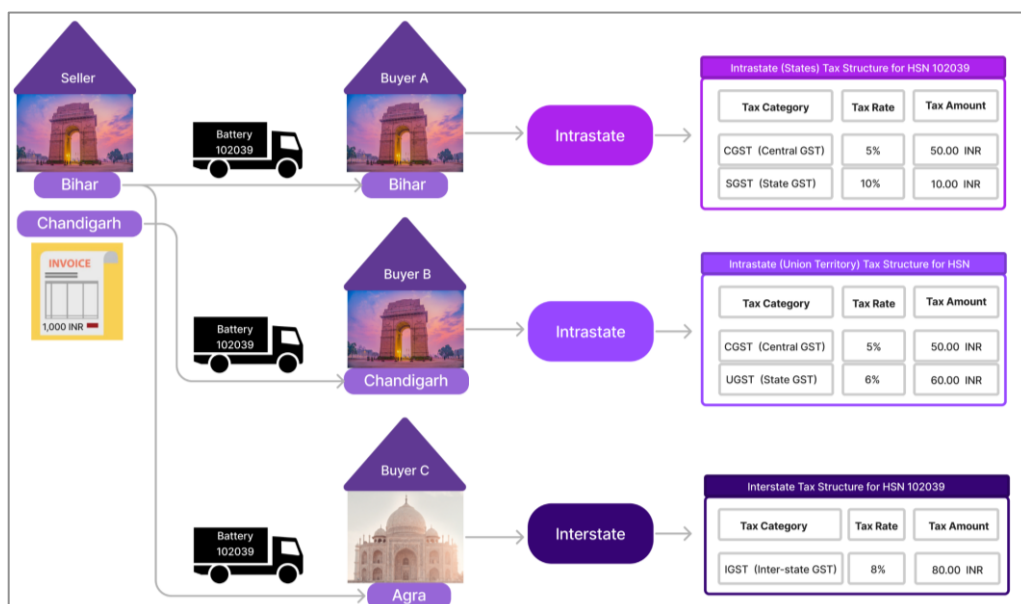
As per Sections 8, 10 and 12 of the Integrated Goods and Services Tax Act, 2017, the legislation that describes the Supply of Goods or Services, the tax rate relevant to a GST liable transaction, depends on two major attributes.

- The Product/ Service** - In the GST regime all goods and services must be identified by an HSN or SAC code respectively. The tax rate applicable for GST is levied based on the type of these HSN/SAC Codes. In other words, the taxes are charged on the type of the product, or the service traded in a transaction.
- The Indian State** - Apart from the HSN/ SAC code of the good or the service being sold, the tax codes applicable for a transaction, will also differ based on the location of the buyer and the seller. If the two delivery ends (buyer's state and seller's state) of a transaction is within one state, the transaction is categorized as 'Intrastate' and if the same is across two states, then the transaction is categorized as 'Interstate'.

*For example, assume, a company in Bihar (BR) is selling a product with HSN code 102039 to another company's delivery address in Bihar (BR). The Transaction will be identified as an Intrastate transaction (state to state) and the Tax rates or Structures applicable will be levied.*

*Moreover, if a company in Chandigarh (CH) is selling a product with HSN code 102039 to another company's delivery address in Chandigarh (CH). The Transaction will still be identified as an Intrastate transaction (Union Territory to Union Territory) and the Tax rates or Structures applicable will be levied.*

*However, even if the same product (102039) is sold by the company in Bihar (BR) to a buying company in Agra (UP), The Tax Structure or the Taxes applicable would be different as the transaction is now classified as an Interstate transaction.*



## 6.2 Process Overview



## 6.3 Solution Overview

Complying with the legal requirement, a solution is provided by IFS Cloud to automatically fetch the applicable predefined **Tax Structure** to transaction lines when the product/service or HSN/SAC code is entered.

Accordingly, when the product/service or HSN/SAC code is entered into invoice lines, the system compares the buyer's state with the seller's state and the HSN/SAC group basic data set up which determines whether the transaction is intrastate or interstate and fetches the relevant tax structure.

### For Procurement Transactions,

**The buyer's state** would be identified from the buyer's (company) delivery address and the option to utilize the invoice address/document address is provided via the toggle named, **Use Company Invoice Address for Tax** in the transaction header level.

**The seller's state** would be identified from the supplier delivery address and the option to utilize the invoice address/document address is provided via the toggle named, **Use Supplier Invoice Address for Tax** in the transaction header level.

Accordingly,

- If both company (buyer) and supplier (seller) states are the same, the transaction should be categorized as an Intrastate Transaction.
- If both company (buyer) and supplier(seller) states are different, the transaction should be categorized as an Interstate Transaction.

### For Sales Transactions,

**The buyer's state** would be identified from the buyer's (customer's) delivery address by default and the option to utilize the invoice address/document address is provided via the toggle named, **Use Customer Invoice Address for Tax** in the transaction header level.

**The seller's state** would be identified from the company delivery address.

Accordingly,

- If both customer (buyer) and company (seller) states are the same, the transaction should be categorized as an Intrastate Transaction.
- If both customer (buyer) and company (seller) states are different, the transaction should be categorized as an Interstate Transaction.

Once the transaction is correctly identified as Intrastate or Interstate, IFS Cloud will automatically fetch the correct Tax Structure from the **Tax Calculation Structures** page, that is applicable to the HSN/SAC Code entered in the transaction line-Item level as described in previous chapter.

Moreover, in an Intrastate situation, if the States in the addresses compared above, are marked as Union Territories on the **States** page, The Tax Codes with Tax Category SGST, defined in the Tax Calculation Structure fetched, will not be visible in the Tax lines, because State taxes are not applicable for Union Territories.

Similarly, if the States in the addresses compared above, are not marked as Union Territories on the **States** page, The Tax Codes with Tax Category UGST, defined in the Tax Calculation Structure fetched, will not be visible in the Tax lines, because Union Territory Taxes are not applicable for States.

## 6.4 Prerequisites

- The company must be set up to use Indian localization, see the [Company Setup](#) chapter with the mandatory parameter “**HSN/SAC Codes and Intra/Interstate Tax Rates Fetching**” automatically enabled in the **Company / Localization Control Center**.
- Below basic data Applicable for Tax Fetching must be set up accordingly.
  - Definition of **HSN/SAC Codes**. (See [Define HSN/SAC Codes](#))
  - Assign individual HSN/SAC Codes to different **HSN/SAC Groups** (See [HSN/SAC Groups and Intra/Interstate Tax Structures](#))
  - Create **Tax Calculation Structures** applicable for Interstate and Intrastate business scenarios and set the status to Active. (See [Define different Tax Structures to Inter State and Intra State transactions](#))
  - Connect the applicable Tax Structures to HSN/SAC Groups based on the fetching required for Interstate and Intrastate transactions separately. (See [HSN/SAC Groups and Intra/Interstate Tax Structures](#))
- On the **Company/ Tax Control/ Invoice tab**, set the **Tax Correspondence, invoice line – Manual Postings** to disabled.
- On the **Company/ Tax Control/ Invoice tab**, set the **Amount Method** field to Net Amount Entry.

## 6.5 Sales flow - Validation of States, fetch HSN/SAC Code and the Tax Structure

A new field for adding a default HSN/SAC code has been introduced to the following pages:

- Sales Part
- Non-Inventory Sales Part
- Package Part
- Inventory Part
- Sales Charge Type
- Sales Object

Use this field to enter the HSN/SAC code for the part or charge type. The list of Values shows HSN/SAC codes defined on the **HSN/SAC Codes** page.

### 6.5.1 SALES PART

#### Sales Part HP-SP2 - HP sp 2 - HPIN1

Inventory Part Availability Planning | Complementary Parts | Substitute Sales Part | Inventory Part | Document Text | Customer Warranty

---

Sales Part No  
HP-SP2

Part Description in Use  
HP sp 2

Site  
HPIN1

Sales Type  
Sales and Rental

Active

---

GENERAL

DESCRIPTIONS

CHARACTERISTICS

CHARGES

MAINTENANCE

PART SPECIFIC OVERHEADS

---

Inventory Part	Sourcing
Unit Of Measure	Grouping
Pricing	Tax
GTIN	Miscellaneous
Min Sales Qty	Closing Tolerance
Created	2022-11-23
Notes	<div style="border: 2px solid purple; padding: 2px;">                     HSN/SAC Code 89898989 - Wood                 </div>
Indicators	Replacement Part

### 6.5.2 NON-INVENTORY SALES PART

#### Non-Inventory Sales Part HP-NON-INV - HP Non-Inventory Part - HPIN1

Complementary Parts | Document Text | Connect Services | Customer Warranty

---

Sales Part No  
HP-NON-INV

Part Description in Use  
HP Non-Inventory Part

Site  
HPIN1

Sales Type  
Sales Only

Category  
Service

Active

---

GENERAL

DESCRIPTIONS

CHARACTERISTICS

CHARGES

---

Intrastat	Sourcing
Unit of Measure	Grouping
Pricing	Tax
GTIN	Miscellaneous
Min Sales Qty	Closing Tolerance
Created	2022-10-10
Notes	<div style="border: 2px solid purple; padding: 2px;">                     HSN/SAC Code 33333 - Repair                 </div>
Indicators	Replacement Part

Country Solution India

43

### 6.5.3 PACKAGE PART

**Package Part** HP-PACKPART - Hp Package part - HPIN1

Complementary Parts | Document Text

---

Sales Part No: HP-PACKPART | Part Description in Use: Hp Package part | Site: HPIN1 - HP India ... | Active:

**GENERAL** | DESCRIPTION | CHARACTERISTICS | CHARGES

Package	Grouping
Components	Unit of Measure
Indicators	Tax
GTIN	Replacement Part

**Misc Information**

Created: 2022-10-10 | Min Sales Qty: | Closing Tolerance: 0 | Print Code: | Customs Statistics No: |

Notes:

HSN/SAC Code: 44445555 - Engine

### 6.5.4 INVENTORY PART

**Inventory Part** HP-IN-PART - india part

Part Pages | Inventory Details | Cost | Warranty | Copy Part | Document Text | MRB Cases | Manufacturing MRO | Part Revisions

---

Inventory Part: HP-IN-PART | Part Description in Use: india part | Site: HPIN1 | Part Status: A - Active

Note:

**MAIN** | ALTERNATE PARTS | MATERIAL PRICE ELEMENTS | CHARACTERISTICS | MANUFACTURING

General	Cost Control
Classification	Identification
Commodity Group 1	Weight, Volume and Quantities
Commodity Group 2	Warranty
Asset Class: S	Putaway
ABC Class: C	Origin and Customs
Frequency Class: Very Slow Mover	Supersession
Lifecycle Stage: Development	
Safety Code	
Accounting Group	
Product Code	
Product Family	
Supply Chain Part Group	
Type Designation	
Dimension/Quality	
HSN/SAC Code: 899889898 - Plastics	

### 6.5.5 SALES CHARGE TYPE

**Sales Charge Type** FREIGHT - Freight Charge ▾

⏪ + 📄 ✎ 🗑️ 🔔 ▾

---

Charge Type	Description	Charge Group	Charge Group Description	Sales Charge Type Cate...	Site
FREIGHT	Freight Charge	FF1 ▾	Fixed Freight Charge	Freight	HPIN1

---

Sales UoM	Currency
pcs ▾	USD

---

**GENERAL** DESCRIPTIONS

---

Details			Tax		
Charge Price	Charge Price incl Tax	Charge Cost	Tax Code	Tax Class	Delivery Type
70,00	87,50	0,00	1 - TAX WITH NO RED...		
Charge (%)	Charge Cost (%)	HSN/SAC Code	Taxable	Use Price Including Tax	
		109900 - Internal transport ▾	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

### 6.5.6 SALES QUOTATION

HSN/SAC Codes and tax fetching logic have been introduced to:

- Sales Quotation Lines
- Sales Quotation Rental Lines
- Sales Quotation Charges

#### Sales Quotation Lines

1) A new column is added to the *Sales Quotation/Lines* tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Sales Part** page, the **Non-Inventory Sales Part** page, or the **Package Part** page respectively.

2) When you enter a new Sales Quotation Line, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

#### Company (Seller) Delivery Address

Company (Seller) Delivery Address available on Site is validated.

**Site** HPIN1 - HP India Site 1 - HP-IN 3 of 5

Company Site Group

Site	Site Description	Company	Country
HPIN1	HP India Site 1	HP-IN - HP India Company	INDIA

**EXTENDED SITE INFO**

Distribution Calendar: \* | Distribution Calendar Status: Generated | Manufacturing Calendar: \* | Manufacturing Calendar Status: Generated

Time Zone Code: | Time Zone Offset (hours): 0 | **Delivery Address: ADD1**

Customer (buyer) Delivery Address  
 Customer (buyer) Delivery Address available on *Sales Quotation Lines* are validated.

**Sales Quotation** P1110 Planned

Quotation No: P1110 | Customer: HP-IN-CUS1 - HP india customer 1 | Category: Customer | Site: HPIN1 | Wanted Delivery Da...

**Sales Quotation Amounts**

Total Net Amount/B...	Total Net Amount/C...	Total Tax Amount/C...	Total Gross Amount...
600,00 USD	60,00 INR	5,20 INR	65,20 INR

**LINES** | RENTAL LINES | CHARGES | QUOTATION DETAILS | INVOLVED PARTIES | BUSINESS ACTIVITIES

Line No	Del No	Delivery Address	Sales Part	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure
1	1	1	HP-NONTRACKED	HP nontracked part	1	44445555 - Engine	INTRA12% - INTRA S
2	1	2	HP-SP	HP SP	5	22223333LT - Laptop	INTER8% - INTER STA

- When you enter a Part No connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Sales Quotation part line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the Planned Due Date on the Sales Quotation part line.

**Sales Quotation** P1110

Status Share Operations Sales Promotions Quotation History Copy Quotation Create Lines from Template Document Text New Business Activity Access

Quotation No: P1110  
 Customer: HI HP-IN-CUS1 - HP india customer 1  
 Category: Customer  
 Site: HPIN1  
 Wanted Delivery Date/Time: [Calendar Icon]

**Sales Quotation Amounts**

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
600,00 USD	60,00 INR	5,20 INR	65,20 INR

**LINES** RENTAL LINES CHARGES QUOTATION DETAILS INVOLVED PARTIES BUSINESS ACTIVITIES

Line No	Del No	Delivery Address	Sales Part	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure
1	1	1	HP-NONTRACKED	HP nontracked part	1	44445555 - Engine	INTRASTATE 12% - INTRA STATE 12%
2	1	2	HP-SP	HP SP	5	22223333LT - Laptop	INTERSTATE 8% - INTER STATE 8%

4) Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address.

Sales > Quotation > Sales Quotation

**Sales Quotation**

Search Advanced Search with Time Zone

Status Quotation No Wanted Delivery Date/Time Coordinator Customer More Favorites Search Saved Searches

V1042  
 Customer: CMWCUSINDIA1  
 Name: CMWCUSINDIA1  
 Site: CMWIN  
 Planned

Quotation No: V1042  
 Customer: CMWCUSINDIA1 - CMWCUSINDIA1  
 Category: Customer  
 Site: CMWIN  
 Wanted Delivery Date/Time: [Calendar Icon]

**Sales Quotation Amounts**

**QUOTATION DETAILS** RENTAL LINES CHARGES INVOLVED PARTIES BUSINESS ACTIVITIES

**General**

Delivery Address  
 Delivery Address: 1 - CMWCUSINDIA1  
 Single Occurrence:  Global Address: [Dropdown]

**Document Address**

**Sales Quotation Dates**

**Miscellaneous**

Market: [Dropdown] Region: [Dropdown] District: [Dropdown]  
 Net Weight: 0 Volume: 0 Add Rebate Customer: [Dropdown] Classification Standard: [Dropdown]  
 Print Code: [Dropdown] Document Text: [Text] Notes - to Customer Order: [Text]

**Invoice**

Invoice Customer: [Dropdown] Address ID: [Dropdown] Payment Terms: 10 - 10 Days Net Use Price Incl Tax: No  
 Tax Liability: TAX Tax Paying Party for POC: No Tax Supply Country: INDIA  
 Entity Use Code:  Use Customer Document Address for Tax

5) If you change the Sales Quotation line or Sales Quotation header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;

- Delivery Address of Sales Quotation header
- Delivery Address of Sales Quotation Part Lines
- Part No
- HSN/SAC Code
- Planned Due Date

## Sales Quotation Rental Lines

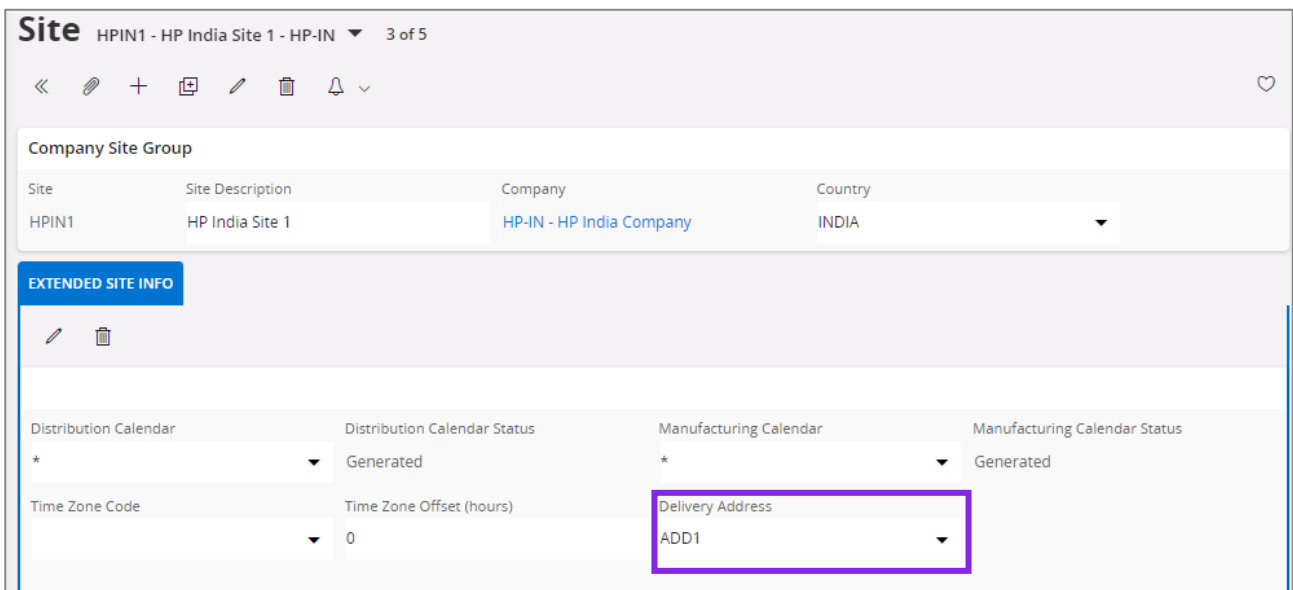
1) A new column is added to the **Sales Quotation/Rental Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Sales Part** page or the **Non-Inventory Sales Part** page respectively.

2) When you enter a new Rental Line, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

### Company (Seller) Delivery Address

Company (Seller) Delivery Address available on Site is validated.



**Site** HPIN1 - HP India Site 1 - HP-IN 3 of 5

Company Site Group

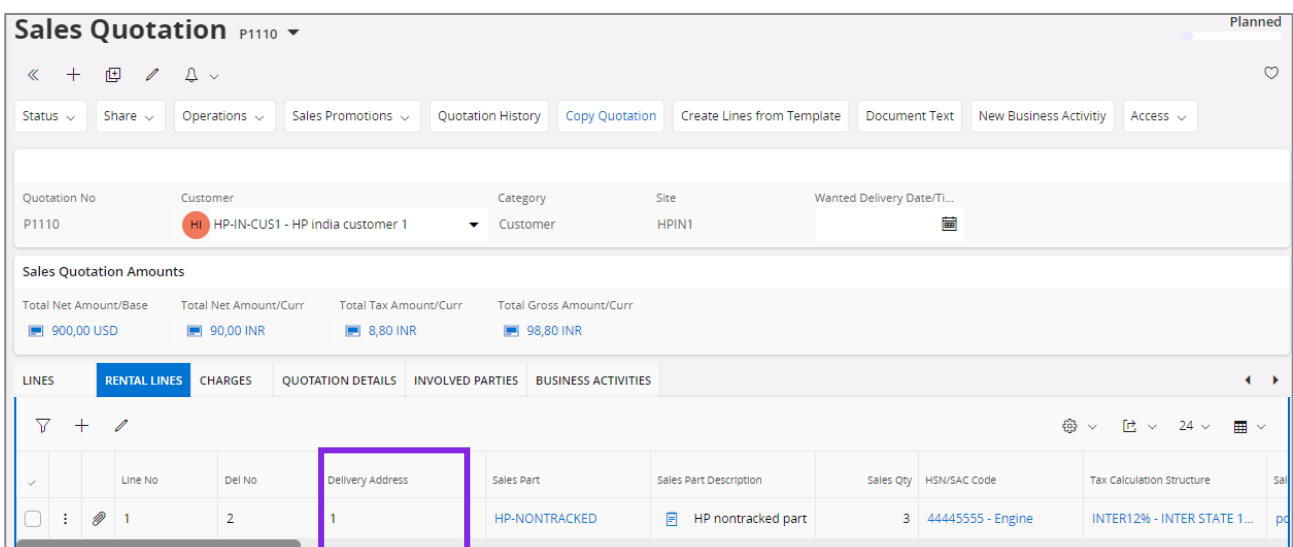
Site	Site Description	Company	Country
HPIN1	HP India Site 1	HP-IN - HP India Company	INDIA

**EXTENDED SITE INFO**

Distribution Calendar	Distribution Calendar Status	Manufacturing Calendar	Manufacturing Calendar Status
*	Generated	*	Generated
Time Zone Code	Time Zone Offset (hours)	Delivery Address	
	0	ADD1	

### Customer (buyer) Delivery Address

Customer (buyer) Delivery Address available on Rental Quotation Lines are validated.



**Sales Quotation** P1110 Planned

Quotation No: P1110, Customer: HP-IN-CUS1 - HP india customer 1, Category: Customer, Site: HPIN1, Wanted Delivery Date/TL...

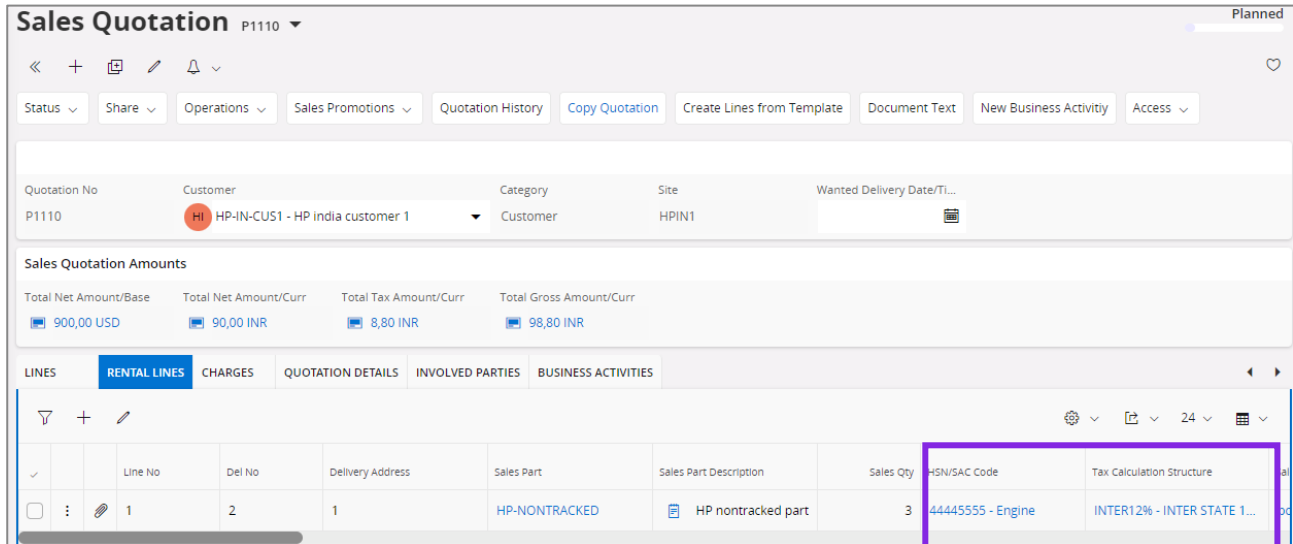
**Sales Quotation Amounts**

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
900,00 USD	90,00 INR	8,80 INR	98,80 INR

**RENAL LINES**

Line No	Del No	Delivery Address	Sales Part	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure
1	2	1	HP-NONTRACKED	HP nontracked part	3	44445555 - Engine	INTER12% - INTER STATE 1...

- When you enter a Part No connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Sales Quotation Rental line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the Planned Due Date on the Sales Quotation Rental line.



**Sales Quotation** P1110

Quotation No: P1110, Customer: HP-IN-CUS1 - HP India customer 1, Category: Customer, Site: HPIN1, Wanted Delivery Date/Tl...

**Sales Quotation Amounts**

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
900,00 USD	90,00 INR	8,80 INR	98,80 INR

**LINES** RENTAL LINES CHARGES QUOTATION DETAILS INVOLVED PARTIES BUSINESS ACTIVITIES

Line No	Del No	Delivery Address	Sales Part	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure
1	2	1	HP-NONTRACKED	HP nontracked part	3	44445555 - Engine	INTER12% - INTER STATE 1...

- Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address.
- If you change the Sales Quotation Rental line or Sales Quotation header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes;
  - Delivery Address of Sales Quotation header
  - Delivery Address of Sales Quotation Rental Lines
  - Part No
  - HSN/SAC Code
  - Planned Due Date

### Sales Quotation Charges

- A new column is added to the **Sales Quotation/Charges** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Sales Charge Type** page. If the Charge Type Category is "Pack Size" or "Promotion", the value cannot be changed.

- When you enter a new **Sales Quotation Charge Line**, the application will first validate the Country (India) and state of buyer and seller delivery address to determine whether the transaction is Intra/inter-state.

Delivery Address validation on Sales Quotation Charges could be described in two scenarios.

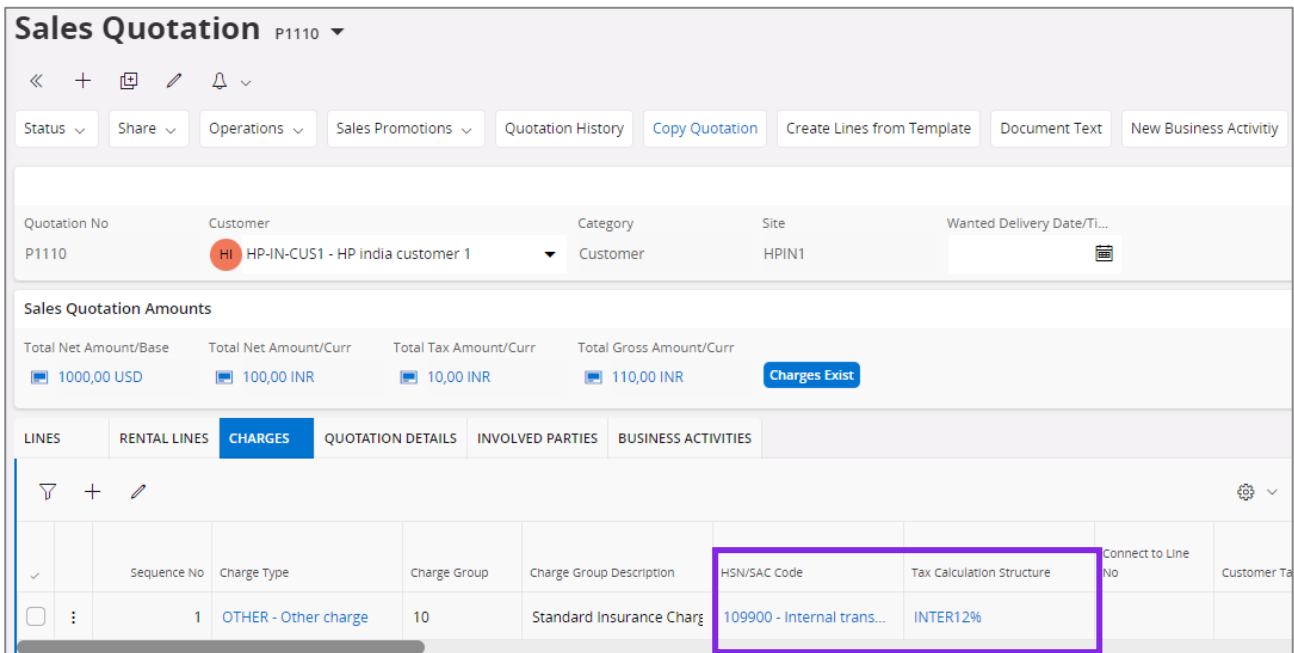
**Scenario-01:** Charge line is not connected to a Sales Quotation line:

Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
Company (Seller) Delivery Address available on Site is validated.	The customer (buyer) Delivery Address available on the Sales Quotation header is validated.

**Scenario-02:** The charge line is connected to a Sales Quotation line:

Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
Company (Seller) Delivery Address available on Site is validated.	The customer (buyer) Delivery Address presented on the connected Sales Quotation Line is validated.

- 3) Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address. The Sales Quotation header document address is considered for a charge line both connected and not connected to a Sales Quotation line.
- 4) When you enter a *Sales Charge Type* connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Sales Quotation Charges line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the Planned Due Date if the charge line is connected to a Sales Quotation line, if not, the Wanted Delivery Date is considered.



The screenshot displays the 'Sales Quotation' interface for quotation P1110. It shows the customer 'HP-IN-CUS1 - HP india customer 1' and the site 'HPIN1'. The 'Sales Quotation Amounts' section indicates a total net amount of 100,00 INR and a total gross amount of 110,00 INR, with a 'Charges Exist' button. The 'CHARGES' tab is active, showing a table with one charge line:

Sequence No	Charge Type	Charge Group	Charge Group Description	HSN/SAC Code	Tax Calculation Structure	Connect to Line	Customer Ta
1	OTHER - Other charge	10	Standard Insurance Charge	109900 - Internal trans...	INTER12%	No	

- 5) If you change the Sales Quotation Charge line or Sales Quotation header, it will re-fetch the new tax structure accordingly. Re-fetch of tax structure is done for the below changes:
  - Delivery Address of Sales Quotation header
  - Sales Charge Type
  - HSN/SAC Code
  - Planned Due Date

### 6.5.7 CUSTOMER ORDER

HSN/SAC Codes and tax fetching logic have been introduced to:

- *Customer Order Lines*
- *Customer Order Rental Lines*
- *Customer Order Charges*

## Customer Order Lines

1) A new column is added to the **Customer Order/Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Sales Part** page, the **Non-Inventory Sales Part** page, or the **Package Part** page respectively.

2) When you enter a new **Customer Order Line**, the application will first validate the Country (India), and then the states of the buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

### Company (Seller) Delivery Address

State from the company (Seller) Delivery Address available on site is validated.

**Site** HPIN1 - HP India Site 1 - HP-IN 3 of 5

Company Site Group

Site	Site Description	Company	Country
HPIN1	HP India Site 1	HP-IN - HP India Company	INDIA

**EXTENDED SITE INFO**

Distribution Calendar	Distribution Calendar Status	Manufacturing Calendar	Manufacturing Calendar Status
*	Generated	*	Generated
Time Zone Code	Time Zone Offset (hours)	Delivery Address	
	0	ADD1	

### Customer (Buyer) Delivery Address

State from the Customer (Buyer) Delivery Address available on Customer Order Lines is validated.

**Customer Order** P10922 Planned

Status Share Operations Freight Invoice Related Pages Copy Order Order History Sales Promotions Commissions Project Document Text

Order No	Customer	Site	Order Type	Wanted Delivery Date/Ti...
P10922	HP-IN-CUS1 - HP india customer 1	HPIN1	NO	2022-11-10 00:00

**Order Amounts**

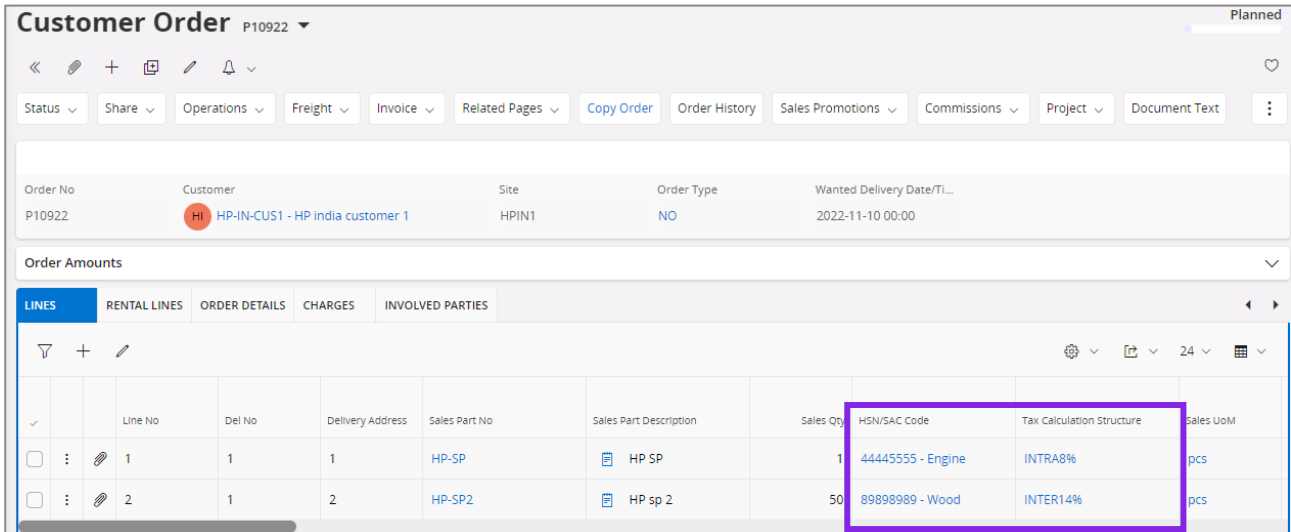
Total Net Amount/Base	Total Contribution Margi...	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
5250,00 USD	5100,00 USD	100,00	525,00 INR	72,00 INR	597,00 INR

**Charges Exist**

**LINES** RENTAL LINES ORDER DETAILS CHARGES INVOLVED PARTIES

Line No	Del No	Delivery Address	Sales Part No	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
1	1	1	HP-SP	HP SP	1	44445555 - Engine	INTRA8%	pcs
2	1	2	HP-SP2	HP sp 2	50	89898989 - Wood	INTER14%	pcs

- 3) When you enter a Part No connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Customer Order line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the Planned Ship Date on the Customer Order part line.

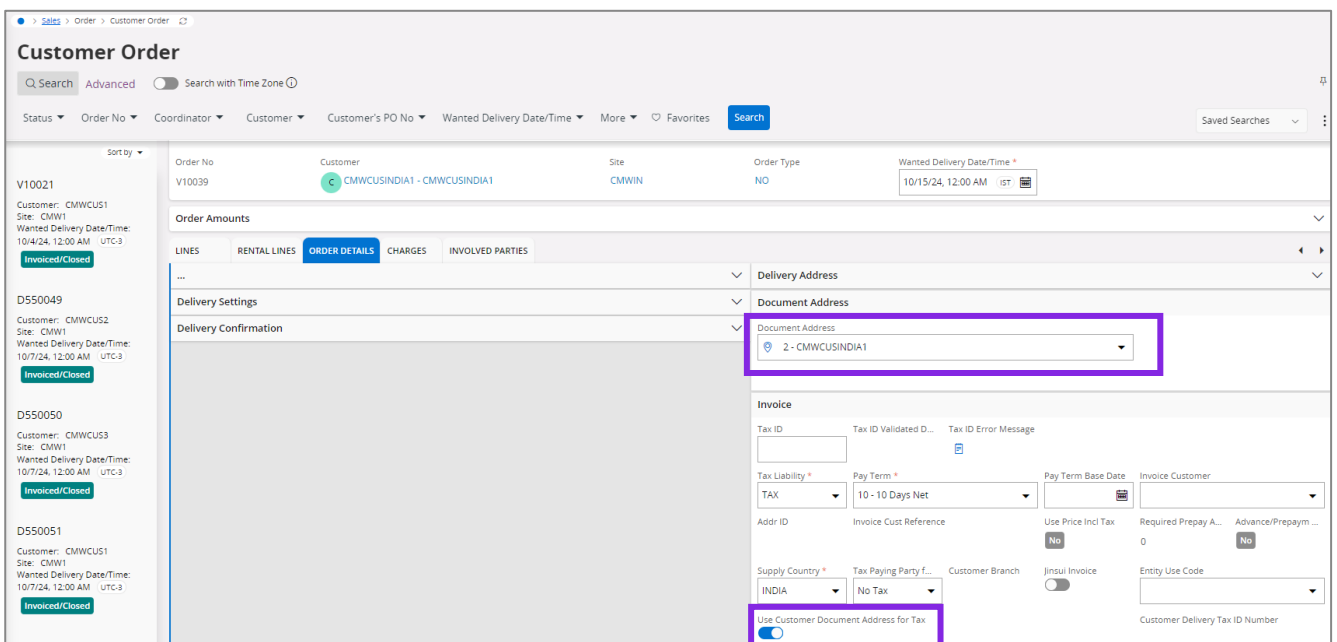


**Customer Order** P10922 Planned

Order No: P10922, Customer: HP-IN-CUS1 - HP india customer 1, Site: HPIN1, Order Type: NO, Wanted Delivery Date/Time: 2022-11-10 00:00

Line No	Del No	Delivery Address	Sales Part No	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
1	1	1	HP-SP	HP SP	1	44445555 - Engine	INTRA8%	pcs
2	1	2	HP-SP2	HP sp 2	50	89898989 - Wood	INTER14%	pcs

- 4) Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address.



**Customer Order** V10021

Order No: V10039, Customer: CMWCUSINDIA1 - CMWCUSINDIA1, Site: CMWIN, Order Type: NO, Wanted Delivery Date/Time: 10/15/24, 12:00 AM

**Delivery Settings**

Document Address: 2 - CMWCUSINDIA1

**Invoice**

Supply Country: INDIA, Tax Paying Party: No Tax, **Use Customer Document Address for Tax:**

- 5) If you change Customer Order line or Customer Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;

- Delivery Address of Customer Order header
- Delivery Address of Customer Order Lines
- Part No
- HSN/SAC Code
- Planned Ship Date

## Customer Order Rental Lines

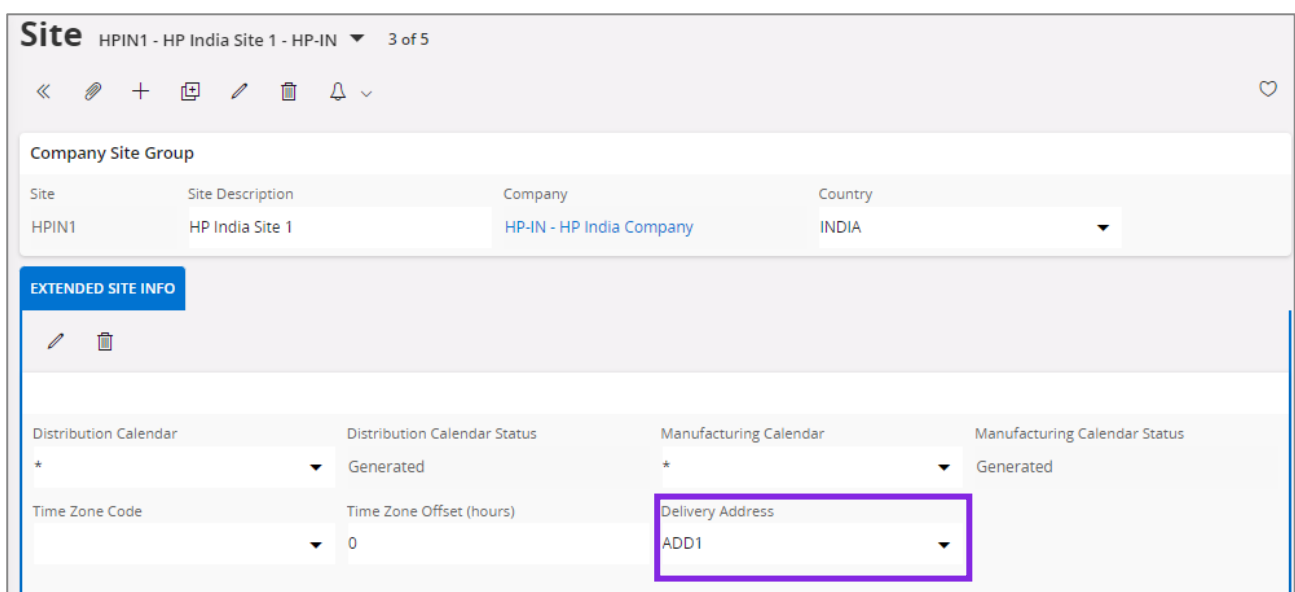
- 1) A new column is added to the **Customer Order/Rental Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Sales Part** page or the **Non-Inventory Sales Part** page respectively.

- 2) When you enter a new **Customer Order Rental Line**, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

### Company (Seller) Delivery Address

State from the company (Seller) Delivery Address available on site is validated.



**Site** HPIN1 - HP India Site 1 - HP-IN 3 of 5

Company Site Group

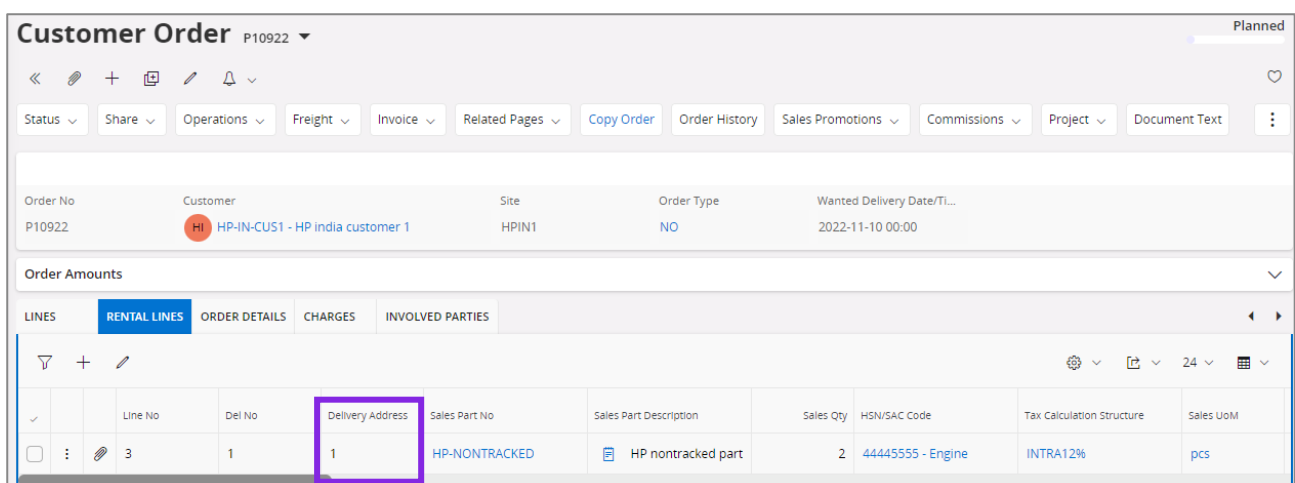
Site	Site Description	Company	Country
HPIN1	HP India Site 1	HP-IN - HP India Company	INDIA

**EXTENDED SITE INFO**

Distribution Calendar	Distribution Calendar Status	Manufacturing Calendar	Manufacturing Calendar Status
*	Generated	*	Generated
Time Zone Code	Time Zone Offset (hours)	Delivery Address	
	0	ADD1	

### Customer (Buyer) Delivery Address

State from the Customer (Buyer) Delivery Address available on the Customer Order Rental line is validated.



**Customer Order** P10922 Planned

Order No: P10922, Customer: HP-IN-CUS1 - HP india customer 1, Site: HPIN1, Order Type: NO, Wanted Delivery Date/TL: 2022-11-10 00:00

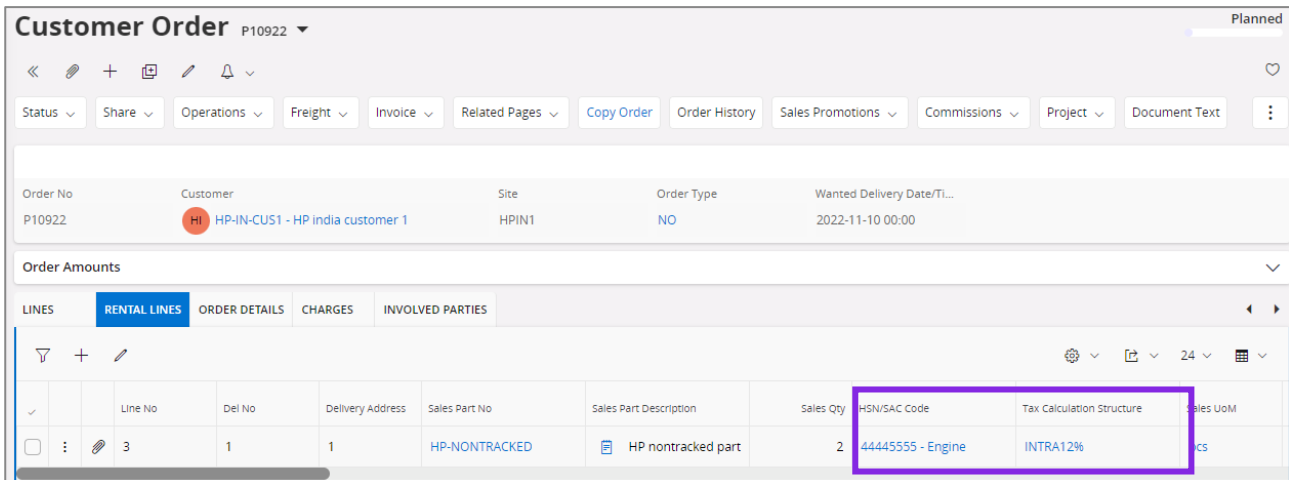
**Order Amounts**

RENTAL LINES

Line No	Del No	Delivery Address	Sales Part No	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
3	1	1	HP-NONTRACKED	HP nontracked part	2	44445555 - Engine	INTRA12%	pcs

- 3) When you enter a Part No connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Customer Order Rental

line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the Planned Ship Date on the Customer Order Rental part line.



- 4) Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address.
- 5) If you change Customer Order Rental line or Customer Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes;
  - Delivery Address of Customer Order header
  - Delivery Address of Customer Order Rental Lines
  - Part No
  - HSN/SAC Code
  - Planned Ship Date

### Customer Order Charges

- 1) A new column is added to the **Customer Order/Charges** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Sales Charge Type** page. If the Charge Type Category is “Pack Size” or “Promotion”, the value cannot be changed.

- 2) When you enter a new Customer Order Charge line, the application will first validate the Country (India) and state of buyer and seller delivery address to determine whether the transaction is Intra/interstate.

Delivery Address validation on Customer Order Charge lines could be described in two scenarios.

**Scenario-01:** The charge line is not connected to a Customer Order line.

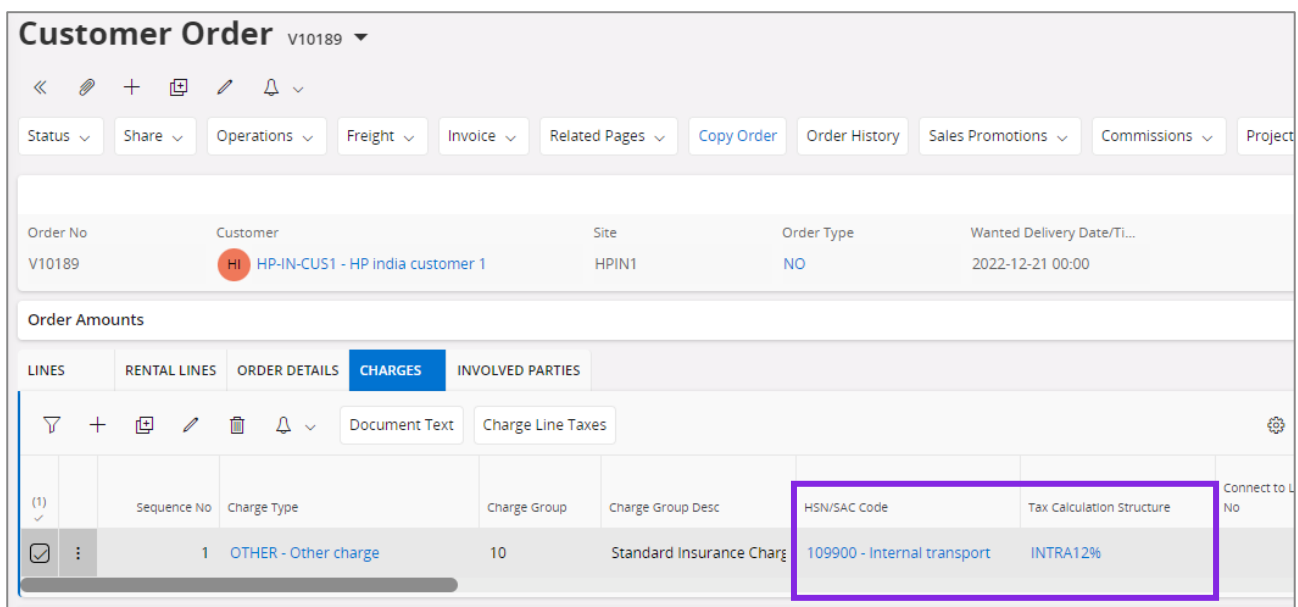
Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
Company (Seller) Delivery Address available on site is validated.	The customer (buyer) Delivery Address available on the Customer Order header is validated.

**Scenario-02:** Charge Line is connected to a Customer Order line:

Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
-----------------------------------	-----------------------------------

Company (Seller) Delivery Address available site is validated.	Customer (Buyer) Delivery Address available on connected Customer Order Line/Rental Lines is validated.
--	---

- 3) Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address. The Customer Order header document address is considered for a charge line both connected and not connected to a Customer Order line.
- 4) When you enter a *Sales Charge Type* connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Customer Order Charges line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the Planned Ship Date if the charge line is connected to a Customer Order line, if not, the Wanted Delivery Date is considered.



The screenshot shows the 'Customer Order' interface for order V10189. The 'CHARGES' tab is active, displaying a table of charge lines. The following table represents the data shown in the screenshot:

Sequence No	Charge Type	Charge Group	Charge Group Desc	HSN/SAC Code	Tax Calculation Structure	Connect to L No
1	OTHER - Other charge	10	Standard Insurance Charge	109900 - Internal transport	INTRA12%	

- 4) If you change Customer Order Charge line or Customer Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes;
  - Delivery Address of Customer Order header
  - Delivery Address of Customer Order Charge lines
  - Sales Charge Type
  - HSN/SAC Code
  - Planned Ship Date

### 6.5.8 CUSTOMER INVOICE

- 1) A new column is added to the **Customer Invoice/Lines** tab:

**HSN/SAC Code:** If the line was created on the base of the customer order, the default value is fetched from the **Customer Order** page. If the line was created on the base of the return material authorization, the default value is retrieved from the **Return Material Authorization** page. If the line was created on the base of a debit invoice line, the default value is fetched from the **Customer Invoice** page.

**Customer Invoice** HP-IN-CUS1 - HP india customer 1 - 970000002 - CUSTORDDEB - P11520 1 of 1

Share Posting Installation Plan and Discounts Notes

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created
HP-IN-CUS1	HP india customer 1	CD	970000002	HP-IN	HPIN1	2023-01-03

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
INR	89,20	80,00	9,20	10	10

**LINES** GENERAL HISTORY

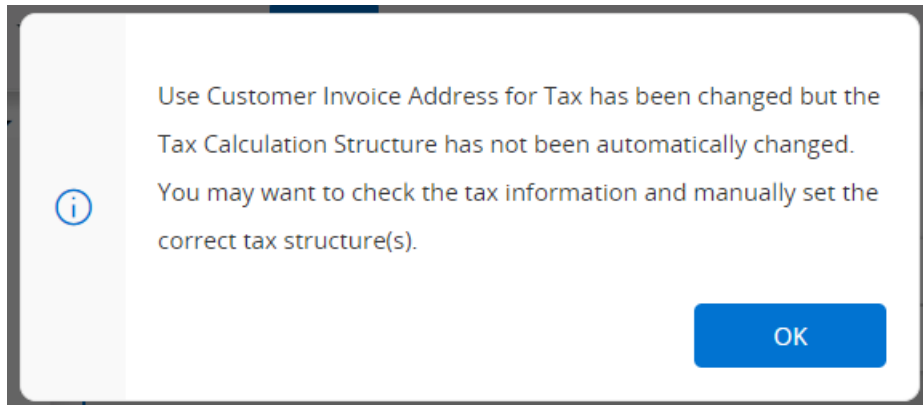
Pos	Invoice Item	Description	Invoiced Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
1	HP-NONTRACKED	HP nontracked part	2	44445555 - Engine	INTRA12%	pcs
2	HP-SP	HP SP	1	22223333LT - Laptop	INTRA8%	pcs
3	FREIGHT	Freight Charge	1	109900 - Internal trans...	INTRA12%	pcs

## 2) Address Handling

In case the HSN/SAC code is manually changed, the following information is used in order to determine whether the transaction is inter or intra-state:

- State from company (seller) address.
  - State from the company delivery address connected to the site.
- Country and state from customer (buyer) address:
  - Country and state from the customer delivery address
    - If an invoice line was created on the base of the customer order, the customer order line delivery address will be considered.
    - If the invoice line was created on the base of return material authorization, the return material authorization Return From address is considered.
  - The country must be India.

3) **Use Customer Invoice Address for Tax** toggle has been introduced on the Customer Invoice header and the value is inherited from the connected customer order, return material authorization, or debit invoice. Changing the value on the toggle gives the below information message and does not trigger a re-fetch of the taxes.



4) Re-fetch of tax structure is done for the below changes.

- HSN/SAC Code

#### 6.5.9 PRINT CUSTOMER INVOICE

Print and preview the customer invoice using IFS Could standard functionality. In the **Report Archive** page use the command Save XML Data. The following information is added to the XML:

- Header section of the XML
  - **<STATE\_CODE\_NUMBER>**
    - Value from the **State Code No** field from the **States** page. It is retrieved from the state of the customer delivery address.
  - **<STATE\_NAME>**
    - Value from the **State Name** field from the **States** page. It is retrieved from the state of the customer delivery address.
  
- Invoice line section of the XML
  - **<HSN\_SAC\_CODE>**
    - HSN/SAC code from the invoice line.
  - **<CGST\_TAX\_AMNT>, <CGST\_TAX\_PCT>, <CGST\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for the tax type category "CGST".
  - **<SGST\_TAX\_AMNT>, <SGST\_TAX\_PCT>, <SGST\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for the tax type category "SGST".
  - **<IGST\_TAX\_AMNT>, <IGST\_TAX\_PCT>, <IGST\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for the tax type category "IGST".
  - **<UGST\_TAX\_AMNT>, <UGST\_TAX\_PCT>, <UGST\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for the tax type category "UGST".
  - **<OTHER\_TAX\_AMNT>, <OTHER\_TAX\_PCT>, <OTHER\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for other tax type categories.

Header section:

```

<CUSTOMER_BRANCH xsi:nil="1"/>
<SHIP_ADDR_1>IP India Customer 1</SHIP_ADDR_1>
<SHIP_ADDR_2>AD1</SHIP_ADDR_2>
<SHIP_ADDR_3>221-221 - Dehli</SHIP_ADDR_3>
<STATE_CODE_NUMBER>07</STATE_CODE_NUMBER>
<STATE_NAME>Delhi</STATE_NAME>
<SHIP_ADDR_4>DL</SHIP_ADDR_4>
<SHIP_ADDR_5>IN - INDIA</SHIP_ADDR_5>
<SHIP_ADDR_6 xsi:nil="1"/>
<SHIP_ADDR_7 xsi:nil="1"/>
<SHIP_ADDR_8 xsi:nil="1"/>
<SHIP_ADDR_9 xsi:nil="1"/>
<SHIP_ADDR_10 xsi:nil="1"/>
<SHIP_ADDR_11 xsi:nil="1"/>

```

Invoice line section:

```

<REF_INVOICE_LINE_DATE xsi:nil="1"/>
<PREPAY_TAX_AMOUNT>9</PREPAY_TAX_AMOUNT>
<LINE_DEL_TERMS_LOCATION xsi:nil="1"/>
<LINE_FORWARD_AGENT xsi:nil="1"/>
<LINE_VAT_NO xsi:nil="1"/>
<DELIVERY xsi:nil="1"/>
<DELIVERY_NOTE_REF xsi:nil="1"/>
<AIRWAY_BILL_NO xsi:nil="1"/>
<NET_SALES_PRICE_CURR>20</NET_SALES_PRICE_CURR>
<COUNTRY_OF_ORIGIN xsi:nil="1"/>
<CUSTOMS_STAT_NO xsi:nil="1"/>
<INVOICE_TEXT xsi:nil="1"/>
<CORRECTION_REASON xsi:nil="1"/>
<CGST_TAX_AMNT>0</CGST_TAX_AMNT>
<SGST_TAX_AMNT>0</SGST_TAX_AMNT>
<IGST_TAX_AMNT>9</IGST_TAX_AMNT>
<UGST_TAX_AMNT>0</UGST_TAX_AMNT>
<OTHER_TAX_AMNT>0</OTHER_TAX_AMNT>
<CGST_TAX_PCT>0</CGST_TAX_PCT>
<SGST_TAX_PCT>0</SGST_TAX_PCT>
<IGST_TAX_PCT>45</IGST_TAX_PCT>
<UGST_TAX_PCT>0</UGST_TAX_PCT>
<OTHER_TAX_PCT>0</OTHER_TAX_PCT>
<CGST_FEE_TYPE xsi:nil="1"/>
<SGST_FEE_TYPE xsi:nil="1"/>
<IGST_FEE_TYPE>TAX</IGST_FEE_TYPE>
<UGST_FEE_TYPE xsi:nil="1"/>
<OTHER_FEE_TYPE xsi:nil="1"/>
<HSN_SAC_CODE>HSN8</HSN_SAC_CODE>
<LINE_DOC_TEXTS/>
<CATALOG_DOC_TEXTS/>
<INVENT_DOC_TEXTS/>
<REAL_SHIP_DATES/>
<STAGED_BILLING_ITEMS/>

```

The solution is available for the following reports:

CUSTOMER_ORDER_IVC_REP	Invoice
CUSTOMER_ORDER_COLL_IVC_REP	Collective Invoice

6.5.10 RETURN MATERIAL AUTHORIZATION  
 HSN/SAC Codes and tax fetching logic have been introduced;

- *Return Material Authorization Lines*
- *Return Material Authorization Credit Charges*

## Return Material Lines

1) A new column is added to the **Return Material Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code.

- If the line has a reference to a debit invoice, the default value is retrieved from the **Customer Invoice** page.
- If the line has a reference to a customer order, the default value is retrieved from the **Customer Order** page.
- Otherwise, the default value is retrieved from the **Sales Part** page or the **Non-Inventory Sales Part** page respectively.
- **Note:** If the Package part is returned from a **Customer Order**, the respective component sales part(s) are listed in the RMA and the HSN/SAC code value is then retrieved from the package part from the connected **Customer Order**.

## 2) Address Handling

In case of lines that are not connected to debit invoice/customer order, the following information is used in order to determine whether transaction is inter-state or intra-state.

- State of company (seller) address:
  - State from the company delivery address connected to the site, that is the same solution as for the **Customer Order/Lines** tab.
- Country and state from customer (buyer) address:
  - Country and state from the customer delivery address selected in the **Delivery Address** field in the **Return from Address** section on the **Return Material Authorization/Return Handling Address** tab.
  - The country must be India.

### Return Material Authorization 200389 - HPETSE - 2022-11-17 - HPIN1 - HP-IN-CUS1

Quick RMA Registration
Print Return Note
Document Text
Return History

RMA No 200389	Customer <span style="color: red;">HI</span> HP-IN-CUS1 - HP india customer 1	Site HPIN1	Printed <span style="background-color: #ccc; padding: 2px;">No</span>
------------------	--	---------------	--

**General**

**Total Amounts**

RETURN MATERIAL LINES
CREDIT CHARGES
RETURN HANDLING ADDRESS
MISC RMA INFO

<p><b>Return From Address</b></p> <table style="width: 100%;"> <tr> <td style="width: 50%;">Delivery Address <span style="border: 1px solid #ccc; padding: 2px;">1</span></td> <td style="width: 50%;">Name HP india customer 1</td> </tr> <tr> <td>Return From Customer No HP-IN-CUS1</td> <td>Ship-Via</td> </tr> <tr> <td></td> <td>Delivery Terms</td> </tr> </table>	Delivery Address <span style="border: 1px solid #ccc; padding: 2px;">1</span>	Name HP india customer 1	Return From Customer No HP-IN-CUS1	Ship-Via		Delivery Terms	<p><b>Return to Address</b></p> <table style="width: 100%;"> <tr> <td style="width: 50%;">Return Address <span style="border: 1px solid #ccc; padding: 2px;">ADD1</span></td> <td style="width: 50%;">Name</td> </tr> </table>	Return Address <span style="border: 1px solid #ccc; padding: 2px;">ADD1</span>	Name
Delivery Address <span style="border: 1px solid #ccc; padding: 2px;">1</span>	Name HP india customer 1								
Return From Customer No HP-IN-CUS1	Ship-Via								
	Delivery Terms								
Return Address <span style="border: 1px solid #ccc; padding: 2px;">ADD1</span>	Name								

**Document Information**

Document Address  
2DOC - HP india customer 1

**Credit Information**

Credit Customer

Credit Address

- When manually entering a Part No connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Return Material line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

### Return Material Authorization 200735 - - 2023-01-03 - HPIN1 - HP-IN-CUS1

Quick RMA Registration Release Deny Cancel Document Text Return History

RMA No 200735	Customer <span style="color: red;">HI</span> HP-IN-CUS1 - HP india customer 1	Site HPIN1	Printed <span style="background-color: #ccc; border: 1px solid #ccc; padding: 2px;">No</span>
------------------	--	---------------	--

#### General

#### Total Amounts

Total Net Amount/Base <span style="color: blue;">0,00 USD</span>	Total Net Amount/Curr <span style="color: blue;">0,00 INR</span>	Total Tax Amount/Curr <span style="color: blue;">0,00 INR</span>
---	---	---

RETURN MATERIAL LINES

CREDIT CHARGES

RETURN HANDLING ADDRESS

MISC RMA INFO

	Return Completed Date	Qty To Return	Return Material Reason	Sales Part No	HSN/SAC Code	Tax Calculation Structure	Order No	Line No
<input type="checkbox"/>		2	30 - Ordered the wrong...	HP-NONTRACKED	44445555 - Engine	INTRA12%		

- Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address.

Return Material Authorization

Q Search

» 200112 - DEDEMO07 - 11/28/2024 - CMWIN - CMWCUSINDIA1

Quick RMA Registration Release Cancel Document Text Return History

RMA No: 200112 Customer: CMWCUSINDIA1 - CMWCUSINDIA1 Site: CMWIN Printed: No

General

Total Amounts

RETURN MATERIAL LINES CREDIT CHARGES RETURN HANDLING ADDRESS MISC RMA INFO

<b>Originating Information</b> Originating RMA No: Receipt RMA No:		<b>RMA Indications</b> Intrastat Exempt: No Document Text: No Notes:	
<b>Tax Information</b> Tax Liability *: TAX Supply Country *: IN - INDIA Use Price Incl Tax: No Entity Use Code: <input checked="" type="checkbox"/> Use Customer Document Address for Tax		<b>Other Information</b> Language *: en - English Jinsui Invoice: <input type="checkbox"/> Case ID: Cancellation Reason:	

Return Material Authorization

Q Search

» 200112 - DEDEMO07 - 11/28/2024 - CMWIN - CMWCUSINDIA1

Quick RMA Registration Release Cancel Document Text Return History

RMA No: 200112 Customer: CMWCUSINDIA1 - CMWCUSINDIA1 Site: CMWIN Printed: No

General

Total Amounts

RETURN MATERIAL LINES CREDIT CHARGES RETURN HANDLING ADDRESS MISC RMA INFO

<b>Return From Address</b> Delivery Address *: 1 Name: CMWCUSINDIA1 Single Occurance: <input type="checkbox"/> Return From Customer No: CMWCUSINDIA1 Ship-Via: Delivery Terms:		<b>Return to Address</b> Return Address *: 1 Name:	
<b>Document Information</b> Document Address: 2 - CMWCUSINDIA1		<b>Credit Information</b> Credit Customer: Credit Address:	

5) For not connected Return Material Lines, re-fetch of tax structure is done for below changes;

- Return From Delivery Address of RMA header
- Part No
- HSN/SAC Code
- Return Completed Date

## Return Material Credit Charges

1) A new column is added to the **Credit Charges** tab:

**HSN/SAC Code.** Use this field to enter the HSN/SAC code. If the charge line has a reference to the customer order, the default value is retrieved from the **Customer Order** page. Otherwise, the default value is retrieved from the **Sales Charge Type** page.

2) Address Handling

In case of lines that are not connected to customer orders, the following information is used to determine whether the transaction is inter or intra-state:

- State from company (seller) address:
  - State from the company delivery address connected to the site, that is the same solution as for the **Customer Order/Order Lines** tab.
- Country and state from customer (buyer) address:
  - Country and state from the customer delivery address selected in the **Delivery Address** field in the **Return from Address** section on the **Return Material Authorization/Return Handling Address** tab.
  - That is the same solution as for the **Return Material Authorization/Return Material Lines** tab.
  - The country must be India.

3) When manually enter a Sales Charge Type connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Credit Charge line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

### Return Material Authorization 200735 - - 2023-01-03 - HPIN1 - HP-IN-CUS1

Quick RMA Registration
Release
Deny
Cancel
Document Text
Return History

RMA No 200735	Customer <span style="color: red;">HI</span> HP-IN-CUS1 - HP india customer 1	Site HPIN1	Printed <span style="background-color: #ccc; border: 1px solid #ccc; padding: 2px;">No</span>
------------------	--	---------------	--

**General**

**Total Amounts**

RETURN MATERIAL LINES
CREDIT CHARGES
RETURN HANDLING ADDRESS
MISC RMA INFO

Deny
RMA Charge Tax Lines
Document Text

(1)	RMA Charge No	Status	Charge Type	Charge Type Description	Charge Price/Curr	HSN/SAC Code	Tax Calculation Structure	Charge Price Incl Tax/Curr
<input checked="" type="checkbox"/>	1	Planned	OTHER	Other charge	10,00	109900 - Internal transport	INTRA12%	11,20

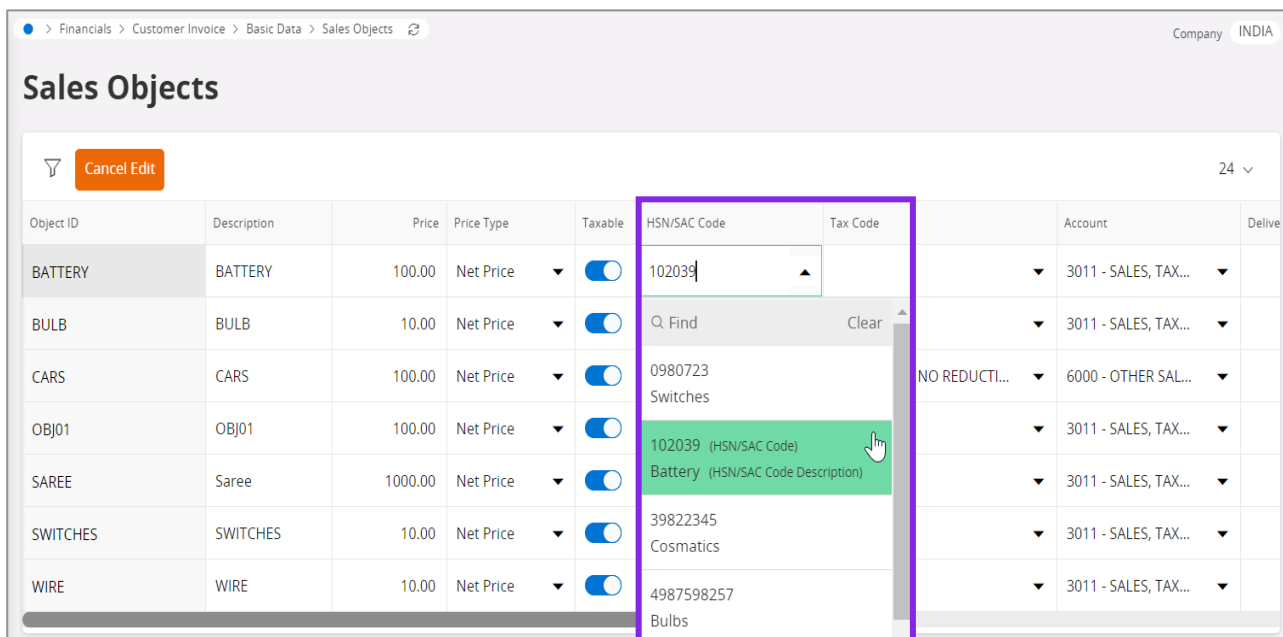
- 4) Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address.
- 5) For not connected Credit Charge lines, re-fetch of tax structure is done for the below changes.
- Return From Delivery Address of RMA header
  - Part No

- HSN/SAC Code
- Return Completed Date

## 6.5.11 INSTANT INVOICE

### 6.5.11.1 Sales Object

The HSN/SAC Code column is introduced to the **Sales Object** page, allowing the user to connect an HSN/SAC Code to a Sales Object. The HSN/SAC Codes defined on the **HSN/SAC Code** page, is made available in the list of values to be selected.



Object ID	Description	Price	Price Type	Taxable	HSN/SAC Code	Tax Code	Account	Delive
BATTERY	BATTERY	100.00	Net Price	<input checked="" type="checkbox"/>	102039		3011 - SALES, TAX...	
BULB	BULB	10.00	Net Price	<input checked="" type="checkbox"/>	Q Find	Clear	3011 - SALES, TAX...	
CARS	CARS	100.00	Net Price	<input checked="" type="checkbox"/>	0980723 Switches	NO REDUCTI...	6000 - OTHER SAL...	
OBJ01	OBJ01	100.00	Net Price	<input checked="" type="checkbox"/>	102039 (HSN/SAC Code) Battery (HSN/SAC Code Description)		3011 - SALES, TAX...	
SAREE	Saree	1000.00	Net Price	<input checked="" type="checkbox"/>			3011 - SALES, TAX...	
SWITCHES	SWITCHES	10.00	Net Price	<input checked="" type="checkbox"/>	39822345 Cosmetics		3011 - SALES, TAX...	
WIRE	WIRE	10.00	Net Price	<input checked="" type="checkbox"/>	4987598257 Bulbs		3011 - SALES, TAX...	

Note that, default tax information (tax codes, tax classes, or tax structures) relevant for the company, customer, supplier, or objects that are defined in the basic data level will not be automatically fetched to invoice line items in Indian Localization enabled companies, as the tax fetching for India is based on HSN/SAC codes. However, such tax information defined under tax-exempt (zero percent tax codes defined under tax-exempt) scenarios, will be fetched to tax lines as HSN/SAC Code fetching will not function in tax-exempt scenarios. Nevertheless, the user can add any above default information to invoice line items manually.

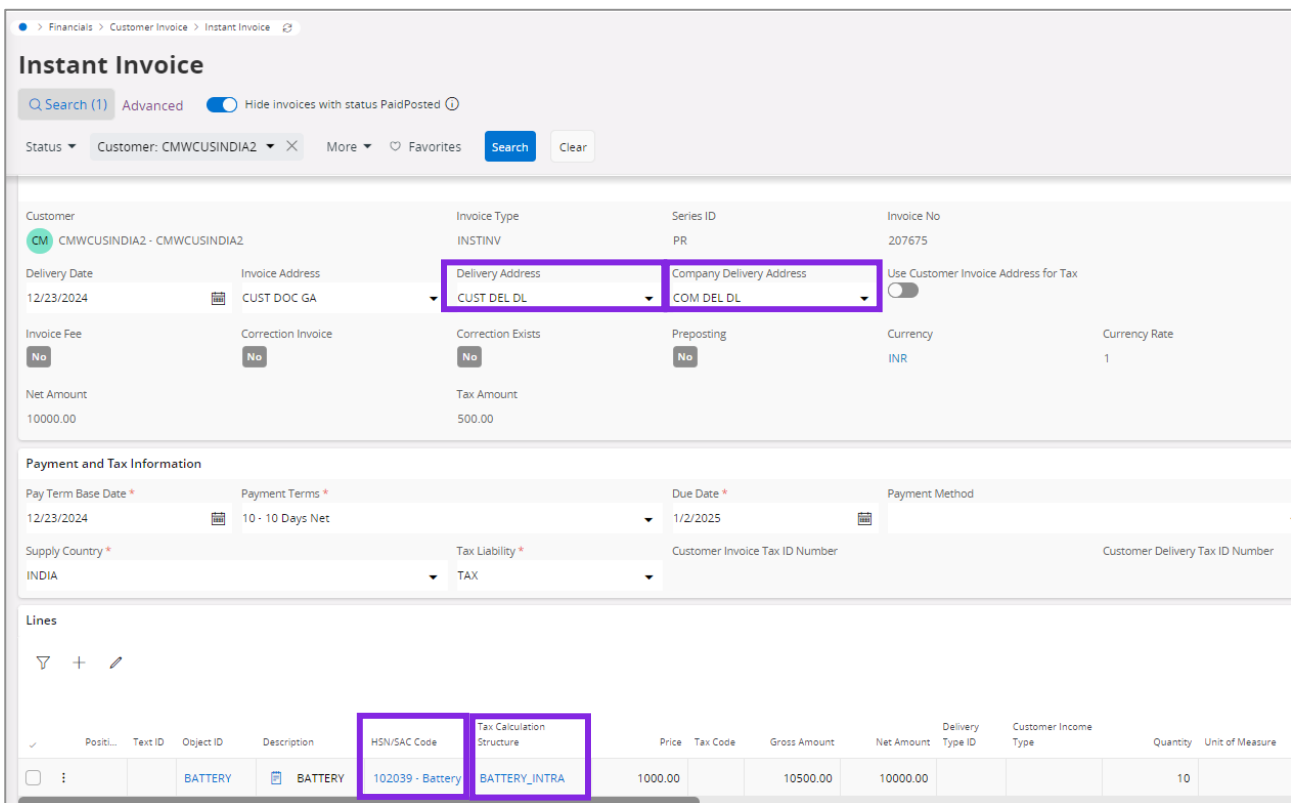
However, if the **Company / Tax Control / General / Customer Tax Code Validation / Object Level** is enabled, the user will not be able to save the Sales Object record without entering a Tax Code or a Tax Class. Therefore, the user is expected to disable the said validation at the Object Level while leaving the Transaction Level enabled, so that the presence of a tax transaction will be validated at the Transaction Level.

### 6.5.11.2 Instant Invoice header and lines

1. At **Instant Invoice** header level, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the customer and the company, to determine whether the transaction is Interstate or Intrastate.

- Then, once the above sales object is introduced in the Instant Invoice line-item level, the relevant HSN/SAC code connected to the Sales object will be automatically fetched to the Instant Invoice Line-item level, Ultimately, fetching the applicable Tax Structure for the HSN/SAC Code based on the Interstate, Intrastate determination.

**Example:** If the state in the **Company Delivery address** is DL and the State in the **Delivery address** (Customer Delivery address) is also DL, the transaction is classified as an **Intrastate transaction** at the header level and the **Tax Structure** specified for **Intrastate transactions** in **HSN/SAC Groups** page will be fetched when the sales object is entered to invoice line as per below screenshot.



**Instant Invoice**

Search (1) Advanced Hide invoices with status PaidPosted

Status Customer: CMWCUSINDIA2 More Favorites Search Clear

Customer: CMWCUSINDIA2 - CMWCUSINDIA2 Invoice Type: INSTINV Series ID: PR Invoice No: 207675

Delivery Date: 12/23/2024 Invoice Address: CUST DOC GA Delivery Address: CUST DEL DL Company Delivery Address: COM DEL DL Use Customer Invoice Address for Tax:

Invoice Fee: No Correction Invoice: No Correction Exists: No Preposting: No Currency: INR Currency Rate: 1

Net Amount: 10000.00 Tax Amount: 500.00

**Payment and Tax Information**

Pay Term Base Date: 12/23/2024 Payment Terms: 10 - 10 Days Net Due Date: 1/2/2025 Payment Method:

Supply Country: INDIA Tax Liability: TAX Customer Invoice Tax ID Number: Customer Delivery Tax ID Number:

**Lines**

Posti...	Text ID	Object ID	Description	HSN/SAC Code	Tax Calculation Structure	Price	Tax Code	Gross Amount	Net Amount	Delivery Type ID	Customer Income Type	Quantity	Unit of Measure
	BATTERY	BATTERY	BATTERY	102039 - Battery	BATTERY_INTRA	1000.00		10500.00	10000.00			10	

- The user can alternatively select the state in the document address/invoice address of the customer instead of the state in delivery address of the customer via enabling the toggle **Use Customer Invoice Address for Tax**.

**Example:** Once the toggle **Use Customer Invoice Address for Tax** is enabled, the comparison will now change to the state in the **Company Delivery address** that is DL and the state in **Invoice Address** (Customer Invoice Address) that is GA, the same transaction is now classified as an **Interstate transaction** at header level and the **Tax Structure** specified for **Interstate transactions** in **HSN/SAC Groups** page will be fetched when the sales object is entered to invoice line. Assume if the state in **Invoice Address** (Customer Invoice Address) is DL, then the transaction will remain as an **Interstate transaction** even after the toggle is enabled as per below screenshot.

Financials > Customer Invoice > Instant Invoice

Instant Invoice

Search (3) Advanced Hide Invoices with status PaidPosted

Status Customer More Favorites Search

More Information Installment Plan and Discounts Pre Posting Print Invoice Print Work Copy Advance Invoices Use Invoice Template Create Invoice Template Create Recurring Invoice Note

Customer: CMWCUSINDIA2 - CMWCUSINDIA2 Invoice Type: INSTINV Series ID: PR Invoice No: 207675 Project ID:

Delivery Date: 12/23/2024 Invoice Address: CUST DOC GA Delivery Address: CUST DEL DL Company Delivery Address: COM DEL DL Use Customer Invoice Address for Tax:

Invoice Fee: No Correction Invoice: No Correction Exists: No Preposting: No Currency: INR Currency Rate: 1 Gross Amount: 11800.00

Net Amount: 10000.00 Tax Amount: 1800.00

Payment and Tax Information

Pay Term Base Date: 12/23/2024 Payment Terms: 10 - 10 Days Net Due Date: 1/2/2025 Payment Method: Payment Address ID:

Supply Country: INDIA Tax Liability: TAX Customer Invoice Tax ID Number: Customer Delivery Tax ID Number:

Lines

Posti...	Text ID	Object ID	Description	HSN/SAC Code	Tax Calculation Structure	Price	Tax Code	Gross Amount	Net Amount	Delivery Type ID	Customer Income Type	Quantity	Unit of Measure	Price Type
	BATTERY	BATTERY	BATTERY	102039 - Battery	BATTERY_INTER	1000.00		11800.00	10000.00			10		Net Price

The relevant Tax Structure must be re-fetched accordingly, even after changes are done to the Invoice elements like,

- Addresses available on the **Instant Invoice / General** tab
- Enable and disable the toggle to use Invoice Address
- Sales Object
- HSN/SAC Code

HSN/SAC code-based fetching is also supported in the creation of **Recurring Invoices, Correction Invoices, Credit Invoices** and **Collective Invoices** so that the user will be able to bring the information in addresses, HSN/SAC Codes, and fetched Tax Structures of a base Invoice to a **Recurring Invoice, Correction Invoice, Credit Invoice, or a Collective Invoice** created.

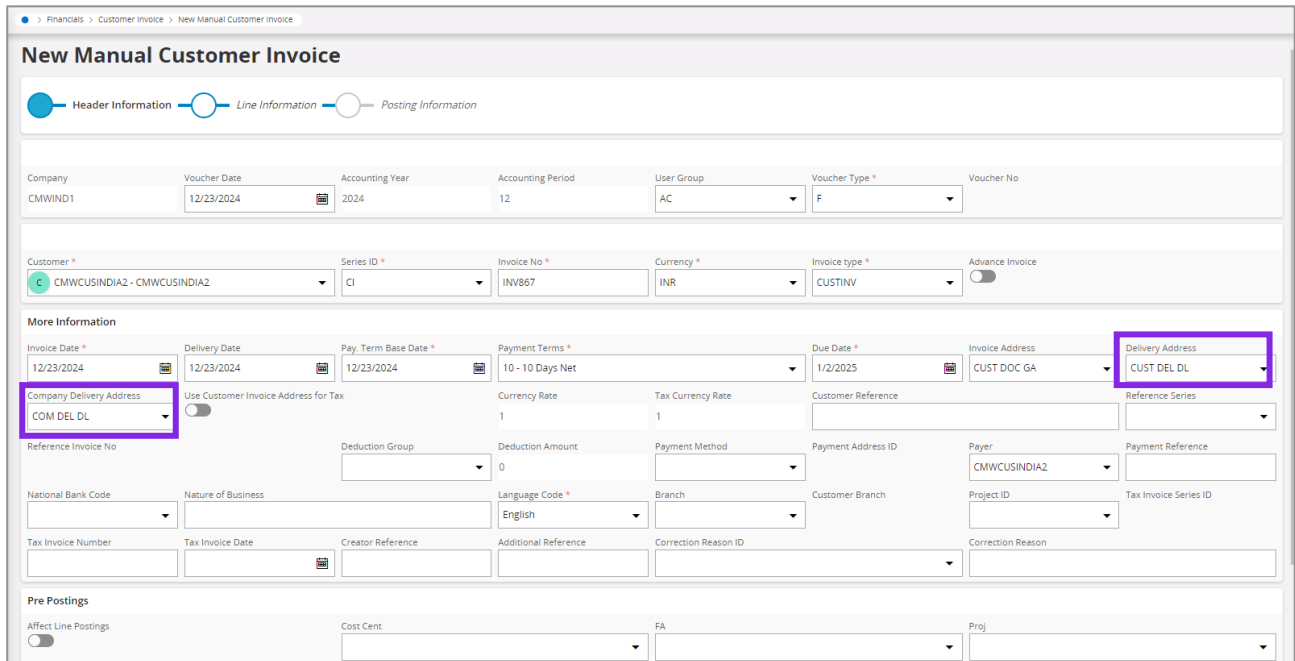
However, HSN/SAC code-based fetching functionality is not supported for the **Instant Invoice Template**. Therefore, the user is expected to manually enter the **Company Delivery Address** and **HSN/SAC Code** in Invoice lines when an invoice is created using an **Instant Invoice Template**.

Moreover, the RDF of the Instant Invoice that is created at the point of printing the Instant Invoice will depict the HSN/SAC Code, the relevant Tax Category and the State Code.

#### 6.5.12 MANUAL CUSTOMER INVOICE

1. At **Manual Customer Invoice** header level, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the customer and the company, to determine whether the transaction is Interstate or Intrastate.
2. Then, at the **Manual Customer Invoice** line-item level, the relevant HSN/SAC code must be manually entered by the user, resulting in applicable Tax Structure fetching based on the predefined combination for the HSN/SAC Code and Interstate/Intrastate.

**Example:** If the state in the **Company Delivery address** is DL and the state in the **Delivery address** (Customer Delivery address) is also DL, the transaction is classified as an **Intrastate Transaction** at the header level and the **Tax Structure** specified for **Intrastate transactions** in **HSN/SAC Groups** page will be fetched when the **HSN/SAC Code** is entered to invoice line as per below screenshot.



**New Manual Customer Invoice**

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/23/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: F | Voucher No:

Customer: CMWCUSINDIA2 - CMWCUSINDIA2 | Series ID: CI | Invoice No: INV867 | Currency: INR | Invoice type: CUSTINV | Advance Invoice:

**More Information**

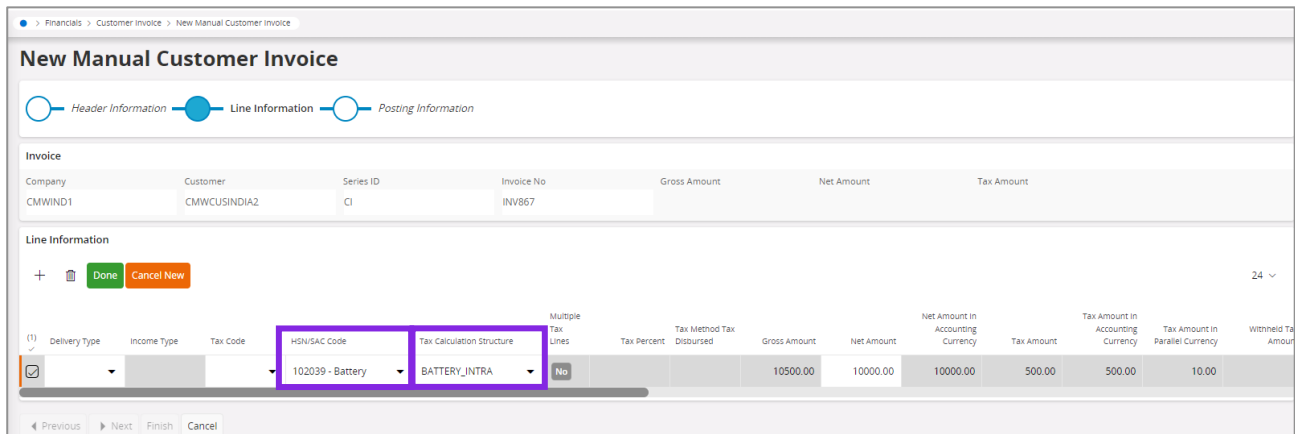
Invoice Date: 12/23/2024 | Delivery Date: 12/23/2024 | Pay. Term Base Date: 12/23/2024 | Payment Terms: 10 - 10 Days Net | Due Date: 1/2/2025 | Invoice Address: CUST DOC GA | **Delivery Address: CUST DEL DL**

**Company Delivery Address: COM DEL DL** | Use Customer Invoice Address for Tax:

Reference Invoice No: | Deduction Group: | Deduction Amount: 0 | Payment Method: | Payment Address ID: | Payer: CMWCUSINDIA2 | Payment Reference: | Reference Series: | National Bank Code: | Nature of Business: | Language Code: English | Branch: | Customer Branch: | Project ID: | Tax Invoice Series ID: | Tax Invoice Number: | Tax Invoice Date: | Creator Reference: | Additional Reference: | Correction Reason ID: | Correction Reason:

**Pre Postings**

Affect Line Postings:  | Cost Cent: | FA: | Proj:



**New Manual Customer Invoice**

Header Information | **Line Information** | Posting Information

**Invoice**

Company: CMWIND1 | Customer: CMWCUSINDIA2 | Series ID: CI | Invoice No: INV867 | Gross Amount: | Net Amount: | Tax Amount:

**Line Information**

+ | Done | Cancel New | 24

(1)	Delivery Type	Income Type	Tax Code	HSN/SAC Code	Tax Calculation Structure	Multiple Tax Lines	Tax Percent	Tax Method Tax Disbursed	Gross Amount	Net Amount	Net Amount in Accounting Currency	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Withheld Tax Amount
<input checked="" type="checkbox"/>				102039 - Battery	BATTERY_INTRA	No			10500.00	10000.00	10000.00	500.00	500.00	10.00	

Previous | Next | Finish | Cancel

3. The user can alternatively select the state in the document address/invoice address of the customer instead of the state in delivery address of the customer via enabling the toggle **Use Customer Invoice Address for Tax**.

**Example:** Once the toggle **Use Customer Invoice Address for Tax** is enabled, the comparison will now change to the state in the **Company Delivery address** that is DL and the state in **Invoice Address** (Customer Invoice Address) that is GA, the same transaction is now classified as an **Interstate Transaction** at header level and the **Tax Structure** specified for **Interstate transactions** in **HSN/SAC Groups** page will be fetched when the **HSN/SAC Code** is entered to invoice line as per below screenshot. Assume if the state in **Invoice Address** (Customer Invoice Address) is DL, then the transaction will remain as an **Interstate transaction** even after the toggle is enabled.

Financials > Customer Invoice > New Manual Customer Invoice

### New Manual Customer Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 1/2/2025 | Accounting Year: 2025 | Accounting Period: 1 | User Group: AC | Voucher Type: F | Voucher No:

Customer: CMWCUSINDIA2 - CMWCUSINDIA2 | Series ID: CI | Invoice No: INV867 | Currency: INR | Invoice type: CUSTINV | Advance Invoice:

**More Information**

Invoice Date: 1/2/2025 | Delivery Date: 1/2/2025 | Pay. Term Base Date: 1/2/2025 | Payment Terms: 10 - 10 Days Net | Due Date: 1/12/2025 | Invoice Address: CUST.DOC.GA | Delivery Address: CUST.DEL.DL

Company Delivery Address: COM.DOC.UP | Use Customer Invoice Address for Tax:

Reference Invoice No: | Deduction Group: | Deduction Amount: 0 | Payment Method: | Payment Address ID: | Payer: CMWCUSINDIA2 | Payment Reference:

National Bank Code: | Nature of Business: | Language Code: English | Branch: | Customer Branch: | Project ID: | Tax Invoice Series ID:

Tax Invoice Number: | Tax Invoice Date: | Creator Reference: | Additional Reference: | Correction Reason ID: | Correction Reason:

Financials > Customer Invoice > New Manual Customer Invoice

### New Manual Customer Invoice

Header Information | Line Information | Posting Information

**Invoice**

Company	Customer	Series ID	Invoice No	Gross Amount	Net Amount	Tax Amount
CMWIND1	CMWCUSINDIA2	CI	INV867			

**Line Information**

+

(1)	Delivery Type	Income Type	Tax Code	HSN/SAC Code	Tax Calculation Structure	Multiple Tax Lines	Tax Percent	Tax Method Tax Disbursed	Gross Amount	Net Amount	Net Amount in Accounting Currency	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency
<input checked="" type="checkbox"/>				102039 - Battery	BATTERY_INTER	No			11800.00	10000.00	10000.00	1800.00	1800.00	36.00

Previous | Next | Finish | Cancel

The relevant Tax Structure must be re fetched accordingly, even after changes at **Manual Customer Invoice Assistant** are done to the Invoice elements like,

- Addresses
- Enable and disable the toggle to use Invoice Address
- HSN/SAC Code

Moreover, as an enhancement, the HSN/SAC related information is made visible in **Customer Invoice Analysis** page. Accordingly, the user will be able to view,

- The **Company Delivery Address, Invoice Address, Delivery Address** and the **Use Customer Invoice Address for Tax** toggle in **More Information** section.
- The **HSN/SAC Code and Tax Calculation Structure** in **Invoice Lines**

However, note that the Manual Customer Invoice is not supported to handle HSN/SAC Code-based tax fetching for External Customer invoice flow.

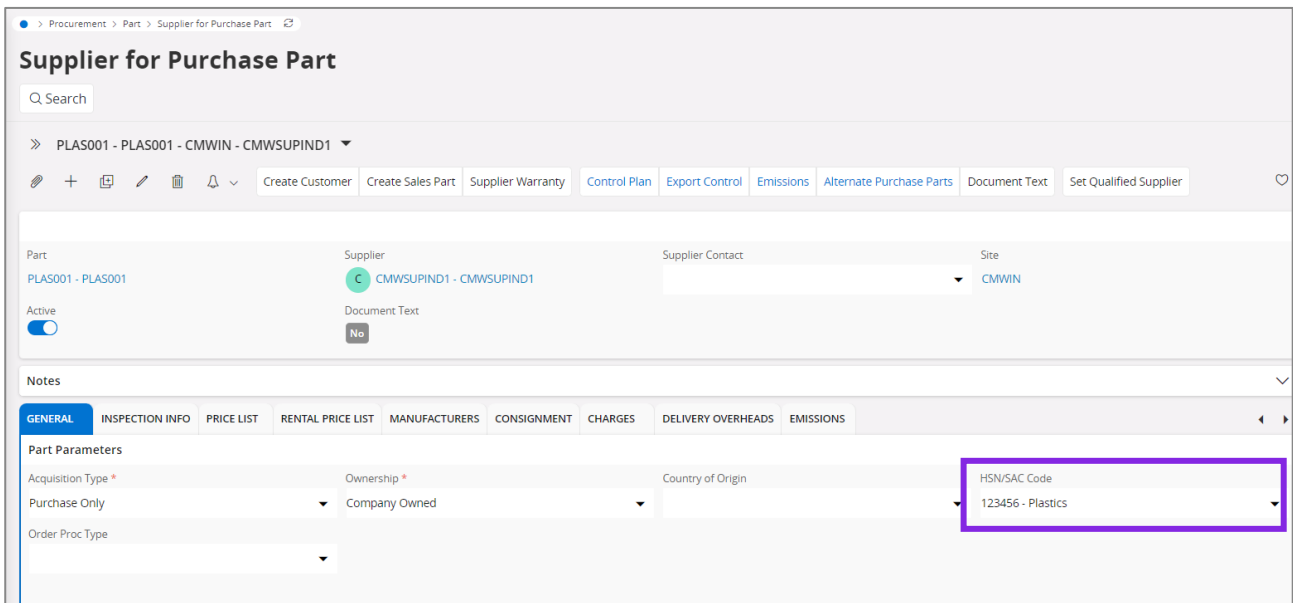
## 6.6 Procurement flow - Validation of States, fetch HSN/SAC Code and the Tax Structure

A new field for adding a default HSN/SAC code has been introduced to the following pages:

- Supplier for Purchase Part
- Purchase Charge Type

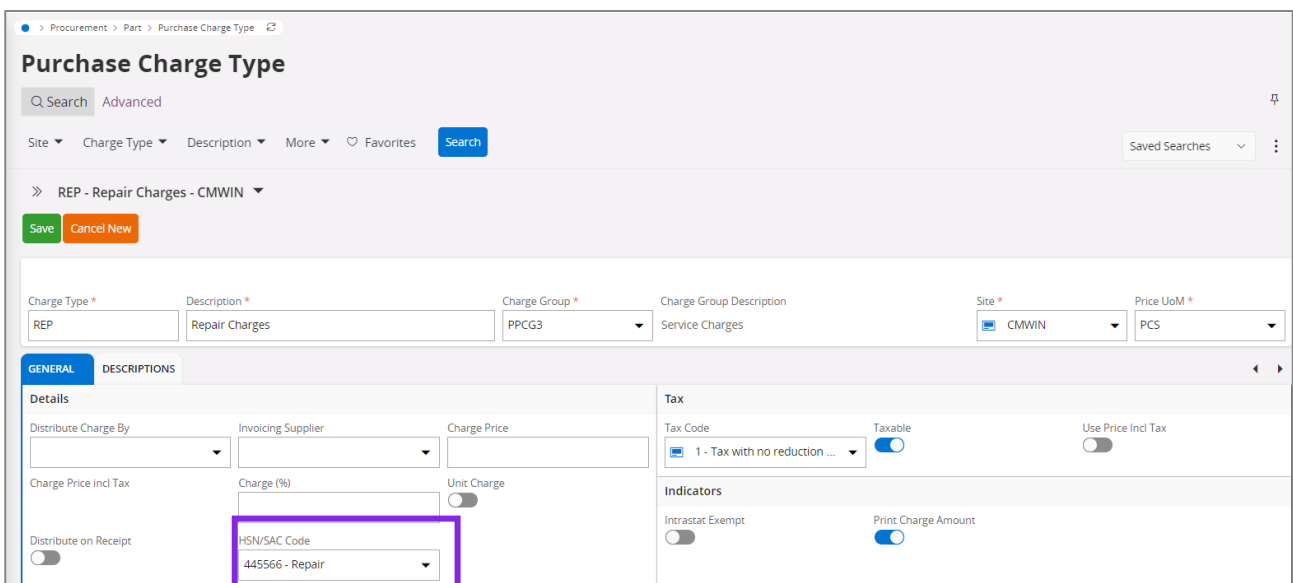
Use this field to enter the HSN/SAC code for the part or charge type. The list of Values shows HSN/SAC codes defined on the **HSN/SAC Codes** page.

### 6.6.1 SUPPLIER FOR PURCHASE PART



The screenshot shows the 'Supplier for Purchase Part' form. The 'Part' field is 'PLAS001 - PLAS001'. The 'Supplier' is 'CMWSUPIND1 - CMWSUPIND1'. The 'Site' is 'CMWIN'. The 'Active' toggle is turned on. The 'Document Text' is 'No'. The 'Notes' section is empty. The 'Part Parameters' section includes 'Acquisition Type' (Purchase Only), 'Ownership' (Company Owned), and 'Country of Origin'. The 'HSN/SAC Code' field is highlighted with a red box and contains the value '123456 - Plastics'.

### 6.6.2 PURCHASE CHARGE TYPE



The screenshot shows the 'Purchase Charge Type' form. The 'Charge Type' is 'REP'. The 'Description' is 'Repair Charges'. The 'Charge Group' is 'PPCG3'. The 'Charge Group Description' is 'Service Charges'. The 'Site' is 'CMWIN'. The 'Price UoM' is 'PCS'. The 'Details' section includes 'Distribute Charge By', 'Invoicing Supplier', 'Charge Price', 'Charge Price Incl Tax', 'Charge (%)', and 'Unit Charge'. The 'HSN/SAC Code' field is highlighted with a red box and contains the value '445566 - Repair'. The 'Tax' section includes 'Tax Code' (1 - Tax with no reduction ...), 'Taxable' (checked), and 'Use Price Incl Tax'. The 'Indicators' section includes 'Intrastat Exempt' and 'Print Charge Amount' (checked).

### 6.6.3 PURCHASE ORDER

HSN/SAC Codes and tax fetching logic have been introduced;

- Purchase Order Part Lines
- Purchase Order No Part Lines
- Purchase Order Rental Lines
- Purchase Order Charges

#### Purchase Order Part Lines

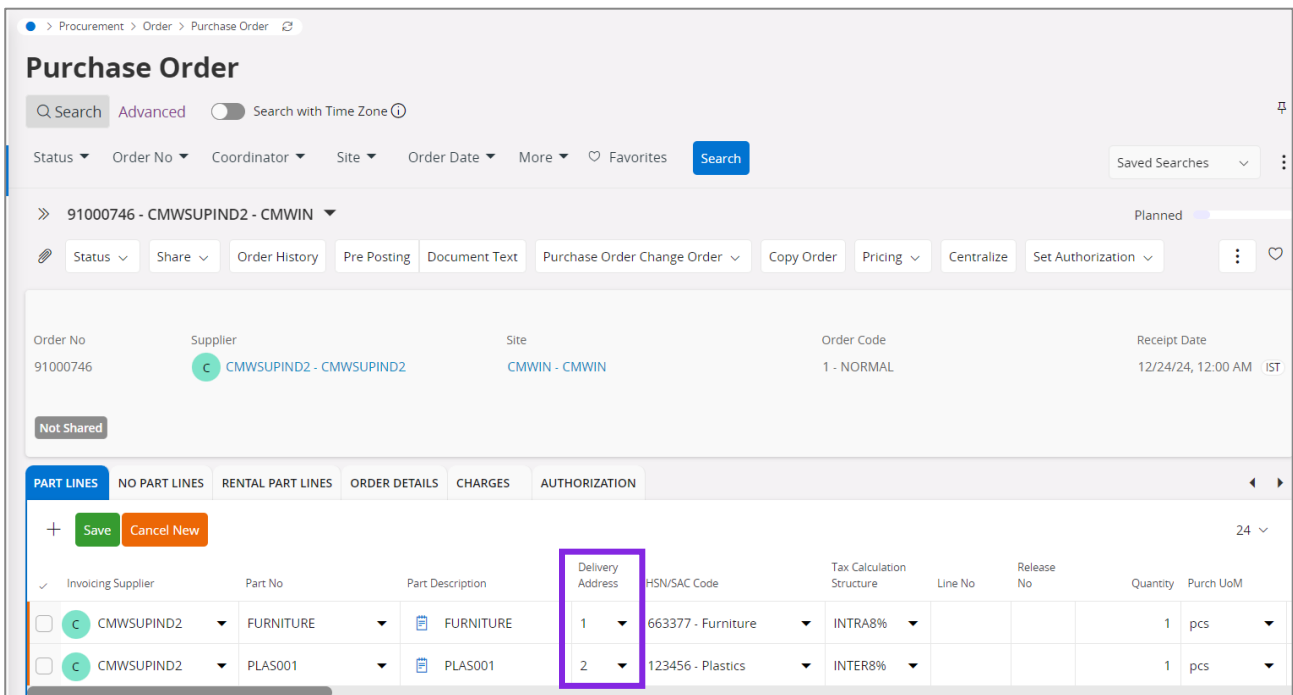
1) A new column is added to the **Purchase Order/Part Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Supplier for Purchase Part** page.

2) When you enter a new **Purchase Order Part Line**, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/inter-state.

#### Company (buyer) Delivery Address

Company (buyer) Delivery Address available on Purchase Order Part Line is validated.



The screenshot displays the 'Purchase Order' interface for order 91000746. The 'PART LINES' tab is active, showing a table with columns: Invoicing Supplier, Part No, Part Description, Delivery Address, HSN/SAC Code, Tax Calculation Structure, Line No, Release No, Quantity, and Purch UoM. The 'Delivery Address' column is highlighted with a red box, showing two entries: '1' for '663377 - Furniture' and '2' for '123456 - Plastics'.

Invoicing Supplier	Part No	Part Description	Delivery Address	HSN/SAC Code	Tax Calculation Structure	Line No	Release No	Quantity	Purch UoM
CMWSUPIND2	FURNITURE	FURNITURE	1	663377 - Furniture	INTRA8%			1	pcs
CMWSUPIND2	PLAS001	PLAS001	2	123456 - Plastics	INTER8%			1	pcs

#### Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

## Purchase Order

Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

PART LINES NO PART LINES RENTAL PART LINES **ORDER DETAILS** CHARGES LANDED COST AUTHORIZATION

**General**

**Delivery Address**

Delivery Address Reference Document Address

1 2

Single Occurrence

**Delivery Information**

Supplier Delivery Address Supplier Document Address Ship-Via Delivery Terms

1 2 \* - test \* - TEST

Delivery Terms Location Route Forwarder External Transport Calendar

Delivery Lead Time Internal Destination ID Internal Destination Description Intrastat Exempt

0

- 3) When you enter a Part No connected to an HSN/SAC Code in Supplier for Purchase Part, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Purchase Order Part Line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

Procurement > Order > Purchase Order

## Purchase Order

Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

91000746 - CMWSUPIND2 - CMWIN Planned

Order History Pre Posting Document Text Purchase Order Change Order Copy Order Pricing Centralize

**Order Amounts**

PART LINES NO PART LINES RENTAL PART LINES **ORDER DETAILS** CHARGES LANDED COST AUTHORIZATION

Create Lines from Template

Invoicing Supplier	Part No	Part Description	Delivery Address	HSN/SAC Code	Tax Calculation Structure	Line No	Release No	Quantity	Purch Uo
CMWSUPIND2 - CM...	FURNITURE	FURNITURE	1	663377 - Furniture	INTRA8%	1	1	1	pcs
CMWSUPIND2 - CM...	PLAS001	PLAS001	2	123456 - Plastics	INTER8%	2	1	1	pcs

- 4) Select the **Use Company Document Address for Tax** toggle to fetch Indian GST Taxes based on the company document address and supplier delivery address.

### Company (buyer) Document Address

The company (buyer) Document Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

## Purchase Order

Q Search **Advanced** Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

PART LINES NO PART LINES RENTAL PART LINES **ORDER DETAILS** CHARGES LANDED COST AUTHORIZATION

**General**

**Delivery Address**

Delivery Address Reference

1

Single Occurrence

**Document Address**

Document Address

2

**Delivery Information**

**Invoicing**

Invoicing Supplier \* Payment Terms \* Tax Liability \* Pre-posting Consolidated

C CMWSUPIND2 - CMWSUPIND2 0 - Due Immediately TAX - TAX No No

Payment Schedules Exist Use Price Incl Tax Use Company Document Address for Tax Use Supplier Document Address for Tax

No No  No

### Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

## Purchase Order

Q Search **Advanced** Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

PART LINES NO PART LINES RENTAL PART LINES **ORDER DETAILS** CHARGES LANDED COST AUTHORIZATION

**General**

**Delivery Address**

Delivery Address Reference

1

Single Occurrence

**Document Address**

Document Address

2

**Delivery Information**

Supplier Delivery Address Supplier Document Address Ship-Via \* Delivery Terms \*

1 2 \* - test \* - TEST

Delivery Terms Location Route Forwarder External Transport Calendar

Delivery Lead Time Internal Destination ID Internal Destination Description Intrastat Exempt

0

- 5) Select the **Use Supplier Document Address for Tax** toggle to fetch Indian GST Taxes based on the supplier document address and company delivery address.

### Company (buyer) Delivery Address

Company (buyer) Delivery Address available on Purchase Order Part Line is validated.

Procurement > Order > Purchase Order

## Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

91000746 - CMWSUPIND2 - CMWIN Planned

Status Share Order History Pre Posting Document Text Purchase Order Change Order Copy Order Pricing Centralize Set Authorization

Order No: 91000746 Supplier: CMWSUPIND2 - CMWSUPIND2 Site: CMWIN - CMWIN Order Code: 1 - NORMAL Receipt Date: 12/24/24, 12:00 AM IST

Not Shared

PART LINES NO PART LINES RENTAL PART LINES ORDER DETAILS CHARGES AUTHORIZATION

+ Save Cancel New 24

Invoicing Supplier	Part No	Part Description	Delivery Address	HSN/SAC Code	Tax Calculation Structure	Line No	Release No	Quantity	Purch UoM
CMWSUPIND2	FURNITURE	FURNITURE	1	663377 - Furniture	INTRA8%			1	pcs
CMWSUPIND2	PLAS001	PLAS001	2	123456 - Plastics	INTER8%			1	pcs

### Supplier (seller) Document Address

Supplier (seller) Document Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

## Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

PART LINES NO PART LINES RENTAL PART LINES ORDER DETAILS CHARGES LANDED COST AUTHORIZATION

General

Delivery Address Document Address

Delivery Information

Supplier Delivery Address: 1 Supplier Document Address: 2 Ship-Via: \* - test Delivery Terms: \* - TEST

Delivery Terms Location: Route Forwarder External Transport Calendar

Delivery Lead Time: 0 Internal Destination ID Internal Destination Description Intrastat Exempt: No

Label Note

Invoicing

Invoicing Supplier: CMWSUPIND2 - CMWSUPIND2 Payment Terms: 0 - Due Immediately Tax Liability: TAX - TAX Pre-posting: No Consolidated: No

Payment Schedules Exist: No Use Price Incl Tax: No Use Company Document Address for Tax: No Use Supplier Document Address for Tax: Yes

- Select the **Use Company Document Address for Tax** toggle and **Use Supplier Document Address for Tax** to fetch Indian GST Taxes based on the supplier document address and company document address.

### Company (buyer) Document Address

The company (buyer) Document Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

## Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

PART LINES NO PART LINES RENTAL PART LINES **ORDER DETAILS** CHARGES LANDED COST AUTHORIZATION

**General**

**Delivery Address**

Delivery Address Reference

1

Single Occurrence

**Document Address**

Document Address

2

**Delivery Information**

**Invoicing**

Invoicing Supplier \* CMWSUPIND2 - CMWSUPIND2 Payment Terms \* 0 - Due Immediately Tax Liability \* TAX - TAX Pre-posting No Consolidated No

Payment Schedules Exist No Use Price Incl Tax No Use Company Document Address for Tax Use Supplier Document Address for Tax

### Supplier (seller) Document Address

Supplier (seller) Document Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

## Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

PART LINES NO PART LINES RENTAL PART LINES **ORDER DETAILS** CHARGES LANDED COST AUTHORIZATION

**General**

**Delivery Address**

**Document Address**

**Delivery Information**

Supplier Delivery Address 1 Supplier Document Address 2 Ship-Via \* \*- test Delivery Terms \* \*- TEST

Delivery Terms Location Delivery Terms Location Route Forwarder External Transport Calendar

Delivery Lead Time 0 Internal Destination ID Internal Destination Description Intrastat Exempt

Label Note

**Invoicing**

Invoicing Supplier \* CMWSUPIND2 - CMWSUPIND2 Payment Terms \* 0 - Due Immediately Tax Liability \* TAX - TAX Pre-posting No Consolidated No

Payment Schedules Exist No Use Price Incl Tax No Use Company Document Address for Tax Use Supplier Document Address for Tax

- 7) If you change the Purchase Order Part Lines or Purchase Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes;
- Delivery Address in PO header
  - Delivery Address in Part Lines
  - Supplier Delivery Address in PO header
  - Part No
  - HSN/SAC Code

## Purchase Order No Part Lines

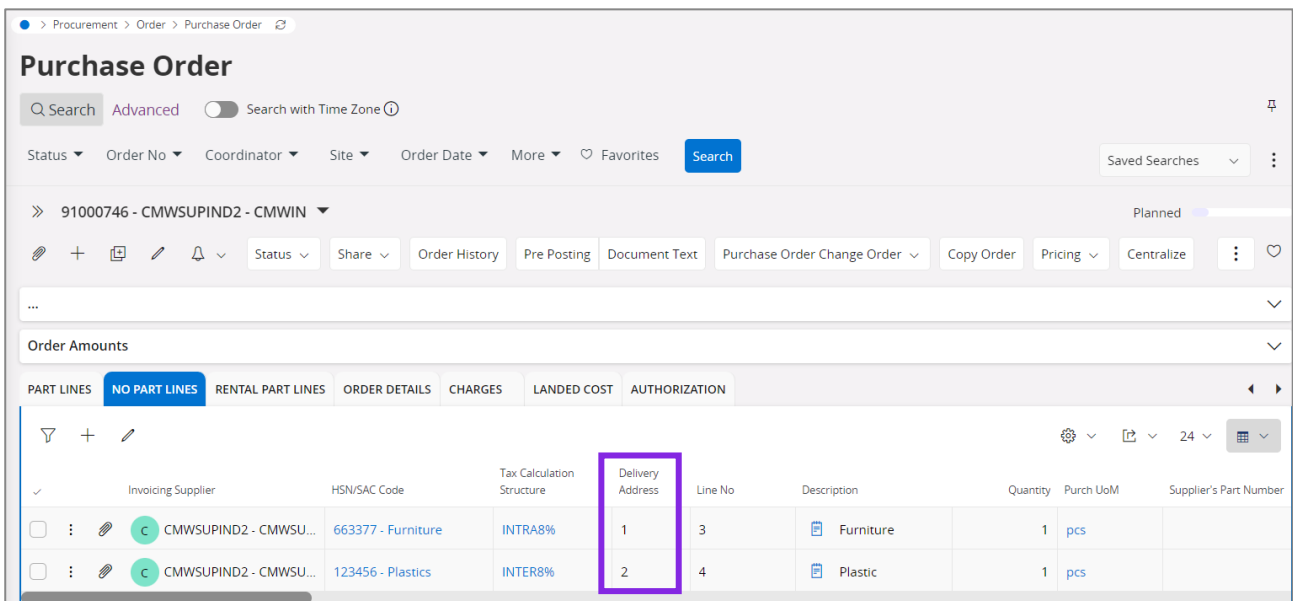
- 1) A new column is added to the **Purchase Order/No Part Lines** tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code manually.

- 2) When you enter a new **Purchase Order No Part Line**, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/inter-state.

### Company (buyer) Delivery Address

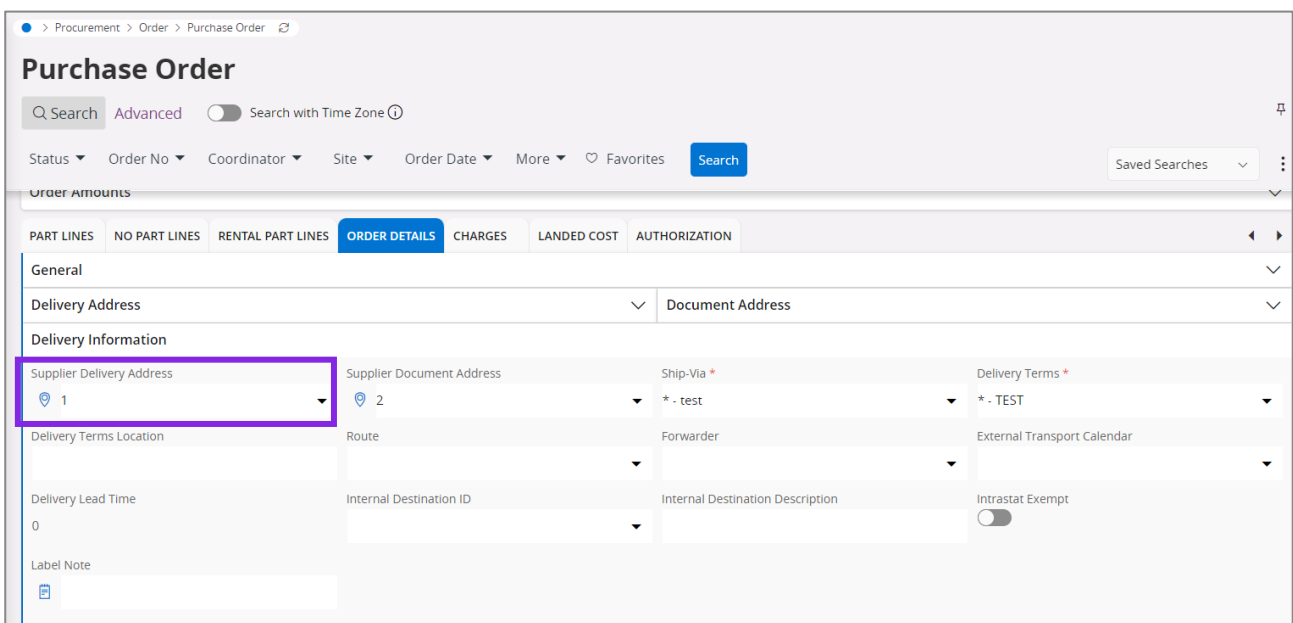
Company (buyer) Delivery Address available on Purchase Order No Part Line is validated.



Invoicing Supplier	HSN/SAC Code	Tax Calculation Structure	Delivery Address	Line No	Description	Quantity	Purch UoM	Supplier's Part Number
CMWSUPIND2 - CMWSU...	663377 - Furniture	INTRA8%	1	3	Furniture	1	pcs	
CMWSUPIND2 - CMWSU...	123456 - Plastics	INTER8%	2	4	Plastic	1	pcs	

### Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the **Order Details** tab is validated.



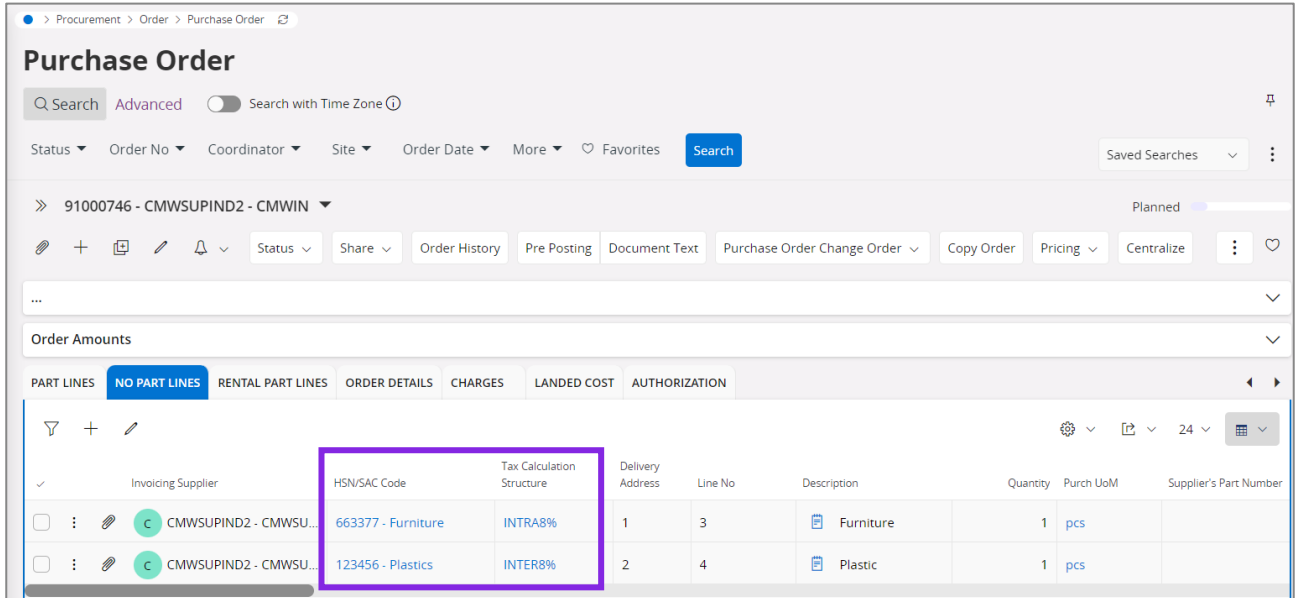
**Supplier Delivery Address**

Supplier Document Address: 2

Ship-Via: \* - test

Delivery Terms: \* - TEST

- When you manually enter an HSN/SAC Code on the Purchase Order No Part Line, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.



The screenshot shows the 'Purchase Order' interface for order 91000746. The 'NO PART LINES' tab is active, displaying a table of part lines. A purple box highlights the HSN/SAC Code and Tax Calculation Structure columns for two lines.

HSN/SAC Code	Tax Calculation Structure	Delivery Address	Line No	Description	Quantity	Purch UoM	Supplier's Part Number
663377 - Furniture	INTRA8%		3	Furniture	1	pcs	
123456 - Plastics	INTER8%		4	Plastic	1	pcs	

- Select the **Use Company Document Address for Tax** toggle to fetch Indian GST Taxes based on the company document address and supplier delivery address.

Company (buyer) Document Address

Company (buyer) Document Address available on the **Order Details** tab is validated.

Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the **Order Details** tab is validated.

- Select the **Use Supplier Document Address for Tax** toggle to fetch Indian GST Taxes based on the supplier document address and company delivery address.

Company (buyer) Delivery Address

Company (buyer) Delivery Address available on Purchase Order No Part Line is validated.

Supplier (seller) Document Address

Supplier (seller) Document Address available on the **Order Details** tab is validated.

- Select the **Use Company Document Address for Tax** toggle and **Use Supplier Document Address for Tax** toggle to fetch Indian GST Taxes based on the supplier document address and company document address.

Company (buyer) Document Address

Company (buyer) Document Address available on the **Order Details** tab is validated.

Supplier (seller) Document Address

Supplier (seller) Document Address available on the **Order Details** tab is validated.

- If you change the Purchase Order No Part Lines or Purchase Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes.
  - Delivery Address in PO header

- Delivery Address in No Part Lines
- Supplier Delivery Address in PO header
- HSN/SAC Code

### Purchase Order Rental Lines

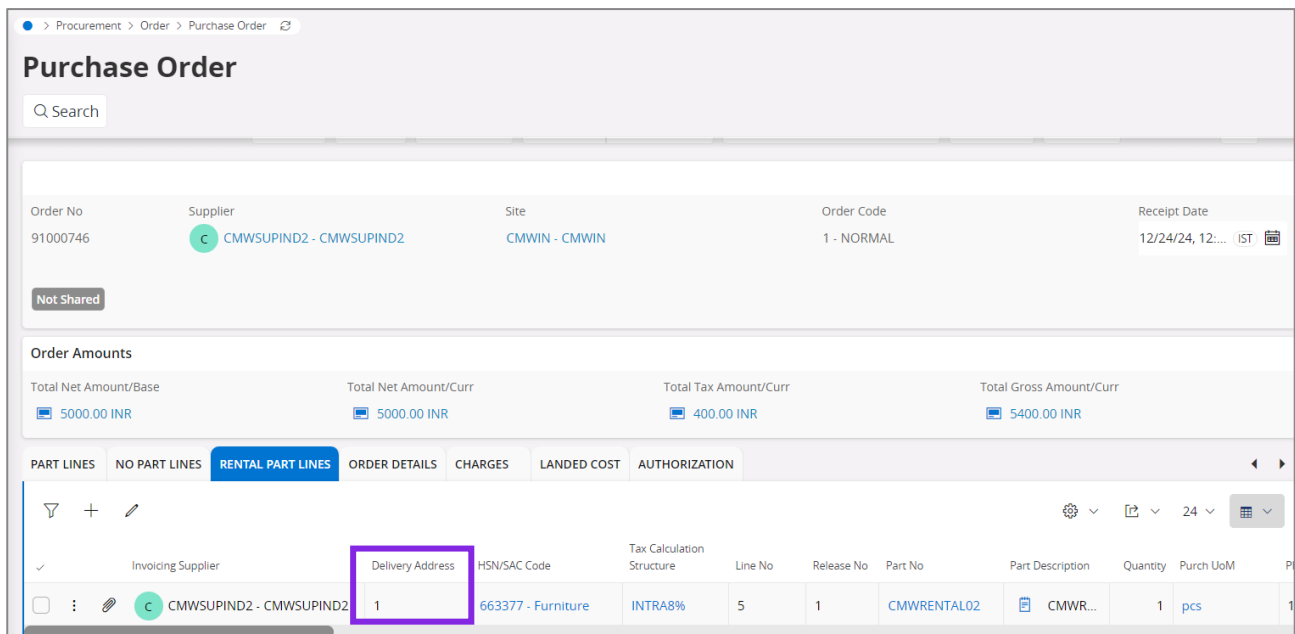
1) A new column is added to the **Purchase Order/Rental Part Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Supplier for Purchase Part** page.

2) When you enter a new **Purchase Order Rental Part Line**, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/inter-state.

#### Company (buyer) Delivery Address

Company (buyer) Delivery Address available on the Purchase Order Rental Line is validated.



The screenshot displays the 'Purchase Order' interface. At the top, the breadcrumb is 'Procurement > Order > Purchase Order'. The main header shows 'Purchase Order' with a search bar. Below this, key information is displayed: Order No (91000746), Supplier (CMWSUPIND2 - CMWSUPIND2), Site (CMWIN - CMWIN), Order Code (1 - NORMAL), and Receipt Date (12/24/24, 12:00:00 IST). A 'Not Shared' status is also visible.

The 'Order Amounts' section shows: Total Net Amount/Base (5000.00 INR), Total Net Amount/Curr (5000.00 INR), Total Tax Amount/Curr (400.00 INR), and Total Gross Amount/Curr (5400.00 INR).

The 'PART LINES' tab is active, showing a table with columns: Invoicing Supplier, Delivery Address, HSN/SAC Code, Tax Calculation Structure, Line No, Release No, Part No, Part Description, Quantity, and Purch UoM. The first row is highlighted, with the 'Delivery Address' field (containing '1') circled in red.

Invoicing Supplier	Delivery Address	HSN/SAC Code	Tax Calculation Structure	Line No	Release No	Part No	Part Description	Quantity	Purch UoM
CMWSUPIND2 - CMWSUPIND2	1	663377 - Furniture	INTRA8%	5	1	CMWRENTAL02	CMWR...	1	pcs

#### Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

## Purchase Order

Q Search

PART LINES NO PART LINES RENTAL PART LINES **ORDER DETAILS** CHARGES LANDED COST AUTHORIZATION

**General**

Currency \* INR Buyer \* NLEFR - Nicolas Leclercq Coordinator \* HH DEDEMO07 - Harald Hess Supplier Contact

Project id Order Date 12/24/2024 Revision No 0 Supplier's Order No

Purchase Code Total Weight 0 Total Volume 0 Language Code \* en - English

Schedule Order No Document Text Note

Delivery Address Document Address

**Delivery Information**

Supplier Delivery Address 1 Supplier Document Address 2 Ship-Via \* \* - test Delivery Terms \* \* - TEST

Delivery Terms Location Route Forwarder External Transport Calendar

- 3) When you enter a Rental Part No connected to an HSN/SAC Code in Supplier for Purchase Part, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Purchase Order Rental Line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

Procurement > Order > Purchase Order

## Purchase Order

Q Search

91000746 - CMWSUPIND2 - CMWIN Planned

Status Share Order History Pre-Posting Document Text Purchase Order Change Order Copy Order Pricing Centralize Set Authorization

Order No 91000746 Supplier CMWSUPIND2 - CMWSUPIND2 Site CMWIN - CMWIN Order Code 1 - NORMAL Receipt Date 12/24/24, 12:00 A... IST

Not Shared

**Order Amounts**

Total Net Amount/Base 5000.00 INR Total Net Amount/Curr 5000.00 INR Total Tax Amount/Curr 400.00 INR Total Gross Amount/Curr 5400.00 INR

PART LINES NO PART LINES **RENTAL PART LINES** ORDER DETAILS CHARGES LANDED COST AUTHORIZATION

Invoicing Supplier	Delivery Address	HSN/SAC Code	Tax Calculation Structure	Line No	Release No	Part No	Part Description	Quantity	Purch UoM	Planned Receipt Date	Planned
CMWSUPIND2 - CMWSUPIND2	1	663377 - Furniture	INTRA8%	5	1	CMWRENTAL02	CMWR...	1	pcs	12/24/24, 12:00 AM	12/24

- 4) Select the **Use Company Document Address for Tax** toggle to fetch Indian GST Taxes based on the company document address and supplier delivery address.

Company (buyer) Document Address

Company (buyer) Document Address available on the **Order Details** tab is validated.

Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the **Order Details** tab is validated.

- 5) Select the **Use Supplier Document Address for Tax** toggle to fetch Indian GST Taxes based on the company delivery address and supplier document address.

Company (buyer) Delivery Address

Company (buyer) Delivery Address available on the Purchase Order Rental Line is validated.

Supplier (seller) Document Address

Supplier (seller) Document Address available on the **Order Details** tab is validated.

- 6) Select the **Use Company Document Address for Tax** toggle and **Use Supplier Document Address for Tax** toggle to fetch Indian GST Taxes based on the supplier document address and company document address.

Company (buyer) Document Address

Company (buyer) Document Address available on the **Order Details** tab is validated.

Supplier (seller) Document Address

Supplier (seller) Document Address available on the **Order Details** tab is validated.

- 7) If you change the Purchase Order Rental Part Lines or Purchase Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes.
- Delivery Address in PO header
  - Delivery Address in Rental Part Lines
  - Supplier Delivery Address in PO header
  - Part No
  - HSN/SAC Code

### Purchase Order Charges

- 1) A new column is added to the **Purchase Order/Charges** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Purchase Charge Type** page.

- 2) When you enter a new **Purchase Order Charge Line**, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/inter-state.

Delivery Address validation on Purchase Order Charge Lines could be described in two scenarios.

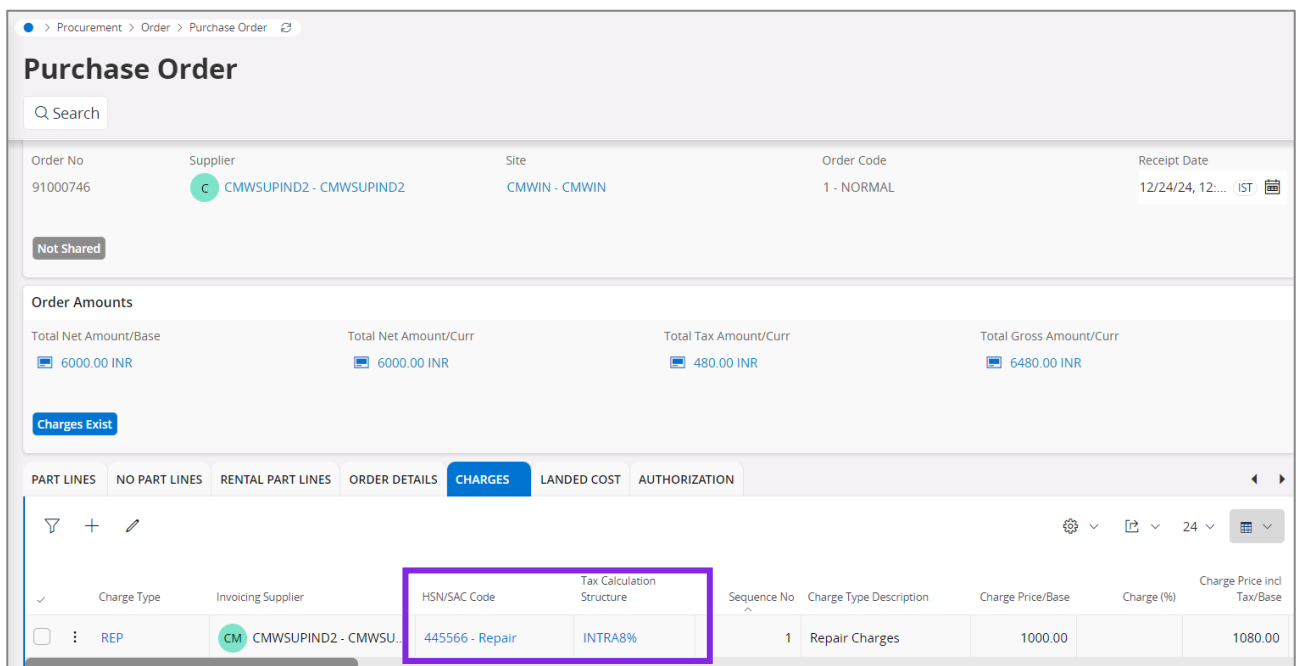
**Scenario-01:** Charge Line is not connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Delivery Address	Supplier (seller) Delivery Address
The company (buyer) Delivery Address available on the <b>Order Details</b> tab is validated.	<ul style="list-style-type: none"> <li>• If Invoicing Supplier on the charge line is the same as header Supplier = Supplier Delivery Address available on <b>Order Details</b> tab is validated.</li> <li>• If the Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default delivery address is validated.</li> </ul>

**Scenario-02:** The Charge Line is connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Delivery Address	Supplier (seller) Delivery Address
Company (buyer) Delivery Address on connected Part Line, No Part Line or Rental Part Line is validated.	<ul style="list-style-type: none"> <li>If the Invoicing Supplier on the charge line is the same as the header Supplier = Supplier Delivery Address available on the Order Details tab is validated.</li> <li>If the Invoicing Supplier on the charge line is <u>not</u> the same as the header Supplier = Invoicing Supplier's default delivery address is validated.</li> </ul>

- 3) When you enter a Purchase Charge Type connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Purchase Order Charge line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.



The screenshot shows the 'Purchase Order' page with the 'CHARGES' tab selected. A table lists the charge details:

Charge Type	Invoicing Supplier	HSN/SAC Code	Tax Calculation Structure	Sequence No	Charge Type Description	Charge Price/Base	Charge (%)	Charge Price Incl Tax/Base
REP	CMWSUPIND2 - CMWSU...	445566 - Repair	INTRA8%	1	Repair Charges	1000.00		1080.00

- 4) Select the **Use Company Document Address for Tax** toggle to fetch Indian GST Taxes based on the company document address and supplier delivery address.

**Scenario-01:** Charge Line is not connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Document Address	Supplier (seller) Delivery Address
The company (buyer) Document Address available on the <b>Order Details</b> tab is validated.	<ul style="list-style-type: none"> <li>If Invoicing Supplier on the charge line is the same as header Supplier = Supplier Delivery Address available on <b>Order Details</b> tab is validated.</li> <li>If the Invoicing Supplier on the charge line is <u>not</u> the same as header</li> </ul>

	Supplier = Invoicing Supplier's default delivery address is validated.
--	--

**Scenario-02:** PO Charge Line is connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Document Address	Supplier (seller) Delivery Address
The company (buyer) Document Address available on the <b>Order Details</b> tab is validated.	<ul style="list-style-type: none"> <li>If the Invoicing Supplier on the charge line is the same as header Supplier = Supplier Delivery Address available on the <b>Order Details</b> tab is validated.</li> <li>If the Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default delivery address is validated.</li> </ul>

- 5) Select the **Use Supplier Document Address for Tax** toggle to fetch Indian GST Taxes based on the company delivery address and supplier document address.

**Scenario-01:** Charge Line is not connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Delivery Address	Supplier (seller) Document Address
The company (buyer) Delivery Address available on the <b>Order Details</b> tab is validated.	<ul style="list-style-type: none"> <li>If Invoicing Supplier on the charge line is the same as header Supplier = Supplier Document Address available on <b>Order Details</b> tab is validated.</li> <li>If the Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default document address is validated.</li> </ul>

**Scenario-02:** PO Charge Line is connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Delivery Address	Supplier (seller) Document Address
Company (buyer) Delivery Address on connected Part Line, No Part Line or Rental Part Line is validated.	<ul style="list-style-type: none"> <li>If the Invoicing Supplier on the charge line is the same as header Supplier = Supplier Document Address available on the <b>Order Details</b> tab is validated.</li> <li>If the Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default document address is validated.</li> </ul>

- 6) Select the **Use Company Document Address for Tax** toggle and **Use Supplier Document Address for Tax** toggle to fetch Indian GST Taxes based on the company document address and supplier document address.

**Scenario-01:** Charge Line is not connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Document Address	Supplier (seller) Document Address
The company (buyer) Document Address available on the <b>Order Details</b> tab is validated.	<ul style="list-style-type: none"> <li>• If Invoicing Supplier on the charge line is the same as header Supplier = Supplier Document Address available on <b>Order Details</b> tab is validated.</li> <li>• If the Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default document address is validated.</li> </ul>

**Scenario-02:** PO Charge Line is connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Document Address	Supplier (seller) Document Address
The company (buyer) Document Address available on the <b>Order Details</b> tab is validated.	<ul style="list-style-type: none"> <li>• If the Invoicing Supplier on the charge line is the same as header Supplier = Supplier Document Address available on the <b>Order Details</b> tab is validated.</li> <li>• If the Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default document address is validated.</li> </ul>

- 7) If you change the Purchase Order Charge Line or Purchase Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes.
- Delivery Address in PO header
  - Delivery Address in connected Part Lines
  - Invoicing Supplier on PO Charge line
  - Supplier Delivery Address in PO header
  - Purchase Charge Type
  - HSN/SAC Code

If the state of **Company Delivery Address** gets changed via **Single Occurrence** option when **Use Company Document Address for Tax** toggle is disabled, the **Tax Calculation Structure** is re-fetched on all PO Lines.

#### 6.6.4 PURCHASE ORDER CHANGE ORDER (POCO)

HSN/SAC Codes and tax fetching logic have been introduced.

- *Purchase Order Change Order Part Lines*
- *Purchase Order Change Order No Part Lines*
- *Purchase Order Change Order Rental Lines*
- *Purchase Order Change Order Charges*

HSN/SAC Codes, Use Company Document Address for Tax toggle, Use Supplier Document Address for Tax toggle and the tax fetching logic behave the same way as previously explained in Purchase Order functionalities.

## Update PO from the POCO

When you perform the “Update Purchase Order” action (core functionality) from the POCO, the changes you made to the POCO regarding the Use Company Document Address for Tax toggle, Use Supplier Document Address for Tax toggle, HSN/SAC Codes and Tax Structures information are updated to the purchase order.

### 6.6.5 PURCHASE REQUISITION

HSN/SAC Codes and tax fetching logic have been introduced;

- *Purchase Requisition Lines*
- *Purchase Requisition No Part Lines*
- *Purchase Requisition Rental Lines*

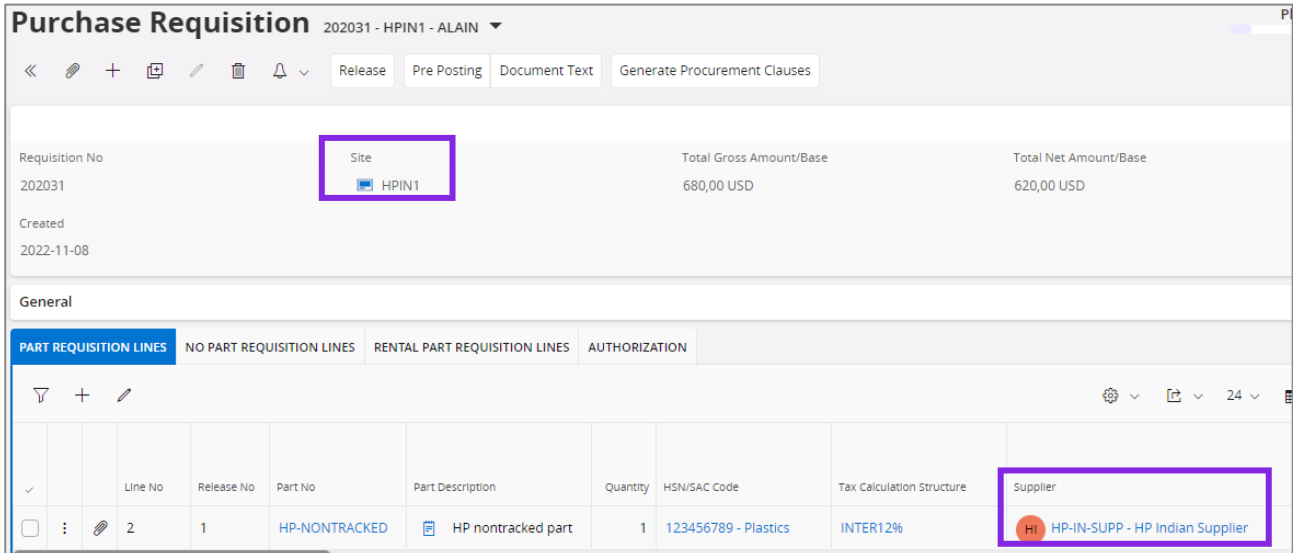
### Purchase Requisition Part Lines

- 1) A new column is added to the **Purchase Requisition/Part Lines** tab:

**HSN/SAC Code:** The default value is retrieved from the **Supplier for Purchase Part** page.

- 2) When you enter a new *Purchase Requisition Part Line*, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

The company (buyer) Delivery Address available on the connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.



**Purchase Requisition** 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No	Site	Total Gross Amount/Base	Total Net Amount/Base
202031	HPIN1	680,00 USD	620,00 USD
Created			
2022-11-08			

General

PART REQUISITION LINES NO PART REQUISITION LINES RENTAL PART REQUISITION LINES AUTHORIZATION

Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier
2	1	HP-NONTRACKED	HP nontracked part	1	123456789 - Plastics	INTER12%	HP-IN-SUPP - HP Indian Supplier

- 3) When you enter a Part No connected to an HSN/SAC Code in Supplier for Purchase Part, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Purchase Requisition Part Line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

**Purchase Requisition** 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No	Site	Total Gross Amount/Base	Total Net Amount/Base
202031	HPIN1	680,00 USD	620,00 USD
Created	2022-11-08		

General

PART REQUISITION LINES NO PART REQUISITION LINES RENTAL PART REQUISITION LINES AUTHORIZATION

Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier
2	1	HP-NONTRACKED	HP nontracked part	1	123456789 - Plastics	INTER12%	HP-IN-SUPP - HP Indian Supplier

- 4) If you change the Purchase Requisition Part Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes;
- Supplier
  - HSN/SAC Code

### Purchase Requisition No Party Lines

- 1) A new column is added to the **Purchase Requisition/No Part Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code.

- 2) When you enter a new **Purchase Requisition No Part Line**, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

The company (buyer) Delivery Address available on the connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.

**Purchase Requisition** 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No	Site	Total Gross Amount/Base	Total Net Amount/Base
202031	HPIN1	560,00 USD	500,00 USD
Created	2022-11-08		

General

PART REQUISITION LINES NO PART REQUISITION LINES RENTAL PART REQUISITION LINES AUTHORIZATION

Line No	Description	Quantity	Purch UoM	HSN/SAC Code	Tax Calculation Structure	Supplier
3	No part	2	pcs	444 - Shelf	INTER8%	HP-IN-SUPP - HP Indian Supplier

- When you select an HSN/SAC Code from the List of Values and add a Supplier to the line, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Purchase Requisition No Part Line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

**Purchase Requisition** 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No 202031	Site HPIN1	Total Gross Amount/Base 560,00 USD	Total Net Amount/Base 500,00 USD
Created 2022-11-08			

General

PART REQUISITION LINES **NO PART REQUISITION LINES** RENTAL PART REQUISITION LINES AUTHORIZATION

Line No	Description	Quantity	Purch UoM	HSN/SAC Code	Tax Calculation Structure	Supplier
3	No part	2	pcs	444 - Shelf	INTER8%	HP-IN-SUPP - HP Indian Supplier

- If you change the Purchase Requisition No Part Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes.
  - Supplier
  - HSN/SAC Code

### Purchase Requisition Rental Lines

- A new column is added to the **Purchase Requisition/Rental Part Lines** tab:
  - HSN/SAC Code:** The default value is retrieved from the **Supplier for Purchase Part** page.
- When you enter a new **Purchase Requisition Rental Part Line**, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/inter-state.

The company (buyer) Delivery Address available on the connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.

**Purchase Requisition** 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No 202031	Site HPIN1	Total Gross Amount/Base 657,20 USD	Total Net Amount/Base 590,00 USD
--------------------------	---------------	---------------------------------------	-------------------------------------

Created  
2022-11-08

**General**

PART REQUISITION LINES NO PART REQUISITION LINES **RENTAL PART REQUISITION LINES** AUTHORIZATION

Status Part Pricing Supply Document Text Pre Posting Project Connection Procurement Clauses

(1)	Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier
✓	4	1	HP-NONTRACKED	HP nontracked part	2	22223333LT - Laptop	INTRA8%	HP-IN-SUPP2 - HP india supplier 2

- 3) When you enter a Rental Part No connected to an HSN/SAC Code in Supplier for Purchase Part, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Purchase Requisition Rental Part Line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

**Purchase Requisition** 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No 202031	Site HPIN1	Total Gross Amount/Base 657,20 USD	Total Net Amount/Base 590,00 USD
--------------------------	---------------	---------------------------------------	-------------------------------------

Created  
2022-11-08

**General**

PART REQUISITION LINES NO PART REQUISITION LINES **RENTAL PART REQUISITION LINES** AUTHORIZATION

Status Part Pricing Supply Document Text Pre Posting Project Connection Procurement Clauses

(1)	Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier
✓	4	1	HP-NONTRACKED	HP nontracked part	2	22223333LT - Laptop	INTRA8%	HP-IN-SUPP2 - HP india supplier 2

- 4) If you change the Purchase Requisition Rental Part Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes;
- Supplier
  - HSN/SAC Code

If the state of **Company Delivery Address** gets changed via **Single Occurrence** option when **Use Company Document Address for Tax** toggle is disabled, the **Tax Calculation Structure** is re-fetched on all POCO Lines.

## 6.6.6 ORDER QUOTATION

HSN/SAC Codes and tax fetching logic have been introduced;

- *Order Quotation Lines*
- *Order Quotation No Part Lines*

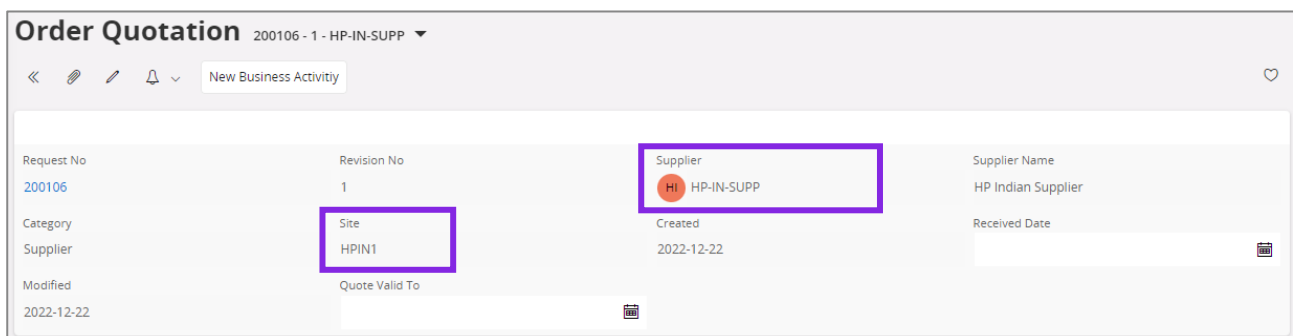
### Order Quotation Lines

- 1) A new column is added to the **Order Quotation Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code. The default value is retrieved from the **Supplier for Purchase Part** page.

- 2) When a new Order Quotation line is created from the Request for Quotation, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/inter-state.

The company (buyer) Delivery Address available on the connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.



**Order Quotation** 200106 - 1 - HP-IN-SUPP

« 🔗 ✎ 🔔 ▾ New Business Activitiy

Request No 200106	Revision No 1	Supplier HP HP-IN-SUPP	Supplier Name HP Indian Supplier
Category Supplier	Site HPIN1	Created 2022-12-22	Received Date
Modified 2022-12-22	Quote Valid To		

- 3) If the Part No is connected to an HSN/SAC Code in the Supplier for Purchase Part, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Order Quotation Part Line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

**Order Quotation** 200106 - 1 - HP-IN-SUPP

Request No: 200106, Revision No: 1, Supplier: HP-IN-SUPP, Supplier Name: HP Indian Supplier, Category: Supplier, Site: HPIN1, Created: 2022-12-22, Modified: 2022-12-22

**Details**

**PART QUOTATION LINES** | NO PART QUOTATION LINES | ACTIVITIES | ATTACHED DOCUMENTS | SUBMISSION REQUIREMENTS

Line No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier Part No	Supplier Part Description
1	HP-NONTRACKED	HP nontracked part	1	123456789 - Plastics	INTER8% - INTER STATE ...		
3	HP-SP	HP SP	1	123HC - Haircut	INTER12% - INTER STAT...		

- 4) If you change the Order Quotation Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes;
- HSN/SAC Code

### Order Quotation No Part Lines

- 1) A new column is added to the **Order Quotation No Part Lines** tab:

**HSN/SAC Code:** Use this field to enter the HSN/SAC code.

- 2) When a new Order Quotation No Part line is created from the Request for Quotation, the application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/inter-state.

The company (buyer) Delivery Address available on the connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.

**Order Quotation** 200106 - 1 - HP-IN-SUPP

Request No: 200106, Revision No: 1, Supplier: HP-IN-SUPP, Supplier Name: HP Indian Supplier, Category: Supplier, Site: HPIN1, Created: 2022-12-22, Modified: 2022-12-22

- 3) When you select an HSN/SAC Code from the List of Values you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Order Quotation No Part Line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the site date.

**Order Quotation** 200106 - 1 - HP-IN-SUPP ▾

⏪ 📎 ✎ 🔔 ▾ New Business Activity

Request No 200106	Revision No 1	Supplier HI HP-IN-SUPP	Supplier Name HP Indian Suppli
Category Supplier	Site HPIN1	Created 2022-12-22	Received Date
Modified 2022-12-22	Quote Valid To		

**Details**

PART QUOTATION LINES **NO PART QUOTATION LINES** ACTIVITIES ATTACHED DOCUMENTS SUBMISSION REQUIREMENTS

Line No	Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier's Part Number	Supplier's Part
2	no part	1	123HC - Haircut	INTER14% - INTER14%		

- 4) If you change the Order Quotation No Part Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for the below changes;  
-HSN/SAC Code

### 6.6.7 MANUAL SUPPLIER INVOICE

1. At **Manual Supplier Invoice** header level, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the supplier and the company, to determine whether the transaction is Interstate or Intrastate.
2. Then, at the Manual Supplier Invoice line-item level, the relevant HSN/SAC code must be manually entered by the user, resulting in applicable Tax Structure fetching based on the predefined combination for the HSN/SAC Code and Interstate/Intrastate.

*Example: If the state in the **Delivery address** (Company Delivery address) is DL and the state in the **Supplier Delivery address** is also DL, the transaction is classified as an Intrastate Transaction at the header level, and the Tax Structure specified for Intrastate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot.*

Financials > Supplier Invoice > New Manual Supplier Invoice

PO Reference: [ ] Receipt Reference: [ ] Sub Contract Reference: [ ] Invoice Advice Reference: [ ] Project ID: [ ] Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV Series ID: SI Invoice No: INV865 Currency: INR Currency Rate: 1 Invoice Date: 12/24/2024 Arrival Date: 12/24/2024 Pay Term Base Date: 12/24/2024

Payment Terms: 0 - Due Immediately Due Date: 12/24/2024 Plan Pay Date: 12/24/2024 Payment Reference: [ ] Automatic Payment Authorization: No Authorizer ID: [ ]

Advance Invoice:  Gross Amount: [ ] Net Amount: [ ] Tax Amount: [ ]

**More Information**

Reference Series: [ ] Reference Invoice No: [ ] Invoice Recipient: CHWGLK - CHWGLK Supplier Invoice Address: SUPP DOC GA Supplier Delivery Address: SUPP DEL DL Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL Use Company Invoice Address for Tax:  Use Supplier Invoice Address for Tax:  Use Project Address for...: No Reference Supplier: [ ] Preliminary Code: [ ]

National Bank Code: [ ] Nature of Business: [ ] Creator Reference: [ ] Tax Currency Rate: 1 Parallel Currency Rate: 0.02

Delivery Date: 12/24/2024 Tax Invoice Series ID: [ ] Tax Invoice No: [ ] Tax Invoice Date: [ ] Customs Declaration D...: [ ] Correction Reason ID: [ ]

Correction Reason: [ ] Branch: [ ] Supplier Branch: [ ] E-Invoice Reference Number: [ ]

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information — Line Information — Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
CMWIND1	CMWSUPIND2	SI	INV865	INR			

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Am...	Cost Amount
10500.00	10000.00	500.00	0.00	10000.00

**Lines**

+ [Done] [Cancel New] 24

(1) Line ID	Deliv... Type	Income Type Ident...	Tax Code	HSN/SAC Code	Tax Calculation Structure	Multiple Tax Lines	Tax (%)	Tax Meth... Tax Recl...	Gross Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-d Ta
[x]				102039 - Ba...	BATTERY_INTRA	No			10500.00	10000.00	500.00	500.00	10.00	

3. The user can alternatively select the state in the document address/invoice address of the Company and Supplier instead of the state in delivery address of the company and supplier via enabling the toggles **Use Company Invoice Address for Tax** and **Use Supplier Invoice Address for Tax**.

*Example 1: Once the toggle Use Company Invoice Address for Tax is enabled, the comparison will now change to the state in the Supplier Delivery address that is DL and the state in Company Invoice Address that is UP, the same transaction is now classified as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in HSN/SAC Groups page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in the Company Invoice Address is DL, then the transaction will remain as an Intrastate transaction even after the toggle is enabled.*

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: 1 | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV865 | Currency: INR | Currency Rate: 1 | Invoice Date: 12/24/2024 | Arrival Date: 12/24/2024 | Pay Term Base Date: 12/24/2024

Payment Terms: 0 - Due Immediately | Due Date: 12/24/2024 | Plan Pay Date: 12/24/2024 | Payment Reference: | Automatic Payment Authorization: No | Authorizer ID: \*

Advance Invoice:  | Gross Amount: | Net Amount: | Tax Amount:

**More Information**

Reference Series: | Reference Invoice No: | Invoice Recipient: CHWGLK - CHWGLK | Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | **Company Invoice Address: COM DOC UP**

Delivery Address: COM DEL DL | **Use Company Invoice Address for Tax:**  | Use Supplier Invoice Address for Tax:  | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code:

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | **Line Information** | Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
CMWIND1	CMWSUPIND2	SI	INV865	INR			

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
0.00	0.00	0.00	0.00	0.00

**Lines**

+   24

(1) Line ID	Deliv... Type	Income Type Ident...	Tax Code	HSN/SAC Code	Tax Calculation Structure	Multiple Tax Lines	Tax (%)	Tax Meth... Tax Recel...	Gross Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Cost Amount
1				102039 - Battri	BATTERY_INTER	No			0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Example 2:** Once the toggle **Use Supplier Invoice Address for Tax** is enabled, the comparison will now change to the state in the **Supplier Invoice address** that is GA and the state in **Company Delivery Address** that is DL, the same transaction is now classified as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in the **Supplier Invoice Address** is DL, then the transaction will remain as an Intrastate transaction even after the toggle is enabled.

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV865 | Currency: INR | Currency Rate: 1 | Invoice Date: 12/24/2024 | Arrival Date: 12/24/2024 | Pay Term Base Date: 12/24/2024

Payment Terms: 0 - Due Immediately | Due Date: 12/24/2024 | Plan Pay Date: 12/24/2024 | Payment Reference: | Automatic Payment Authorization: No | Authorizer ID: \*

Advance Invoice:  | Gross Amount: | Net Amount: | Tax Amount:

**More Information**

Reference Series: | Reference Invoice No: | Invoice Recipient: CHWGLK - CHWGLK | Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL | Use Company Invoice Address for Tax:  | Use Supplier Invoice Address for Tax:  | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code:

---

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
CMWIND1	CMWSUPIND2	SI	INV865	INR			

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
0.00	0.00	0.00	0.00	0.00

**Lines**

+   24

(1) Line ID	Deliv... Type	Income Type Ident...	Tax Code	HSN/SAC Code	Tax Calculation Structure	Multiple Tax Lines	Tax (%)	Tax Meth... Tax Recel...	Gross Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Cost Amount
1				102039 - Ba...	BATTERY_INTER	No			0.00	0.00	0.00	0.00	0.00	0.00	0.00

The relevant Tax Structure must be re-fetched accordingly, even after changes are done to the Invoice elements like,

- Addresses available in the **More Information** section of **the Manual Supplier Invoices** page
- Enable and disable the toggle to use the Invoice Address of the company.
- HSN/SAC Code

If the Manual Supplier Invoice is created based on a **Purchase Order**, the **Supplier Delivery Address, Supplier Invoice Address, Delivery Address** (Company Delivery Address), **Company Invoice Address**, and the status of **Use Company Invoice Address for Tax** toggle and **Use Supplier Invoice Address for Tax** toggle in the header level of the **Purchase Order** will be fetched and displayed in **Manual Supplier Invoice** page header level. If the Manual Supplier Invoice is created based on multiple **Purchase Orders** having different supplier/company addresses and statuses of toggles, the default values will be fetched and displayed in **Manual Supplier Invoice** page header level.

When the user selects either of the options, **Copy Unmatched PO Receipts** or **Copy Un-received PO Lines**, the Purchase Order lines will be copied to the **Manual Supplier Invoice** line-item level, along with **HSN/SAC Codes** and **Tax Structures** fetched from **Purchase Order**. The user can also manually change the HSN/SAC Codes, which will direct to re-fetch the tax structure on the supplier invoice line level. However, if the Match PO Receipts command is used to manually match the invoice with a purchase order, no HSN/SAC Codes or tax information will be fetched to the invoice lines, the same as in the core solution.

HSN/SAC Code based fetching is also supported in the creation of **Recurring Invoices**, so that the user will be able to bring the information in addresses, HSN/SAC Codes, and fetched Tax Structures of a base Invoice to a **Recurring Invoice** created.

If the **Tax Structure** is with **Allow Manual Amount in Tax Base** toggle enabled, then the user has the option to enter a value in the **Manual tax base amount** column available in the Invoice Line-item level. If a value is entered in the **Manual Tax Base Amount** column, the taxes will be calculated considering the same as the tax base and if the field remains blank, the tax will be based on the net value of the invoice if **Include Price in Tax Base** toggle is also enabled for the selected tax structure line.

Moreover, as an enhancement, the HSN/SAC related information is made visible in the **Supplier Invoice Analysis** page. Accordingly, the user will be able to view,

- The **Supplier Delivery Address, Supplier Invoice Address, Company Invoice Address, Delivery Address, Use Company Invoice Address for Tax** toggle and **Use Supplier Invoice Address for Tax** toggle in the **More Information** section.
- The **HSN/SAC Code** and **Tax Calculation Structure** in **Invoice Lines**

However, HSN/SAC code-based fetching functionality is not supported for the **Supplier Invoice Template**. Therefore, the user is expected to manually enter the **Supplier Delivery Address** and **HSN/SAC Code** in Invoice lines when an invoice is created using a Supplier **Invoice Template**.

#### 6.6.8 POSTING PROPOSAL

1. Same as in the **Manual Supplier Invoice** header level, in the **Posting Proposal** level, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the Supplier and the Company, to determine whether the transaction is Interstate or Intrastate.
2. Then, at the **Posting Proposal** line level, the relevant HSN/SAC code must be manually entered by the user, resulting in applicable Tax Structure fetching based on the predefined combination for the HSN/SAC Code and interstate/intrastate.

*Example: If the state in the **Delivery address** (Company Delivery address) is DL and the state in the **Supplier Delivery address** is also DL, the transaction is classified as an Intrastate Transaction at the header level and the Tax Structure specified for Intrastate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot.*

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: CMWIND2 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV8675 | Currency: INR | Currency Rate: 1 | Invoice Date: 12/24/2024 | Arrival Date: 12/24/2024 | Pay Term Base Date: 12/24/2024

Payment Terms: 10 | Due Date: 1/3/2025 | Plan Pay Date: 1/3/2025 | Payment Reference: | Automatic Payment Authorization: No | Authorizer ID: \*

Advance Invoice:  | Gross Amount: | Net Amount: | Tax Amount:

**More Information**

Reference Series: | Reference Invoice No: | Invoice Recipient: CHWGLK - CHWGLK | Supplier Invoice Address: SUPP DOC GA | **Supplier Delivery Address: SUPP DEL DL** | Company Invoice Address: COM DOC UP

Delivery Address: **COM DEL DL** | Use Company Invoice Address for Tax:  | Use Supplier Invoice Address for Tax:  | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code:

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | **Line Information** | Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
CMWIND2	CMWSUPIND2	SI	INV8675	INR			

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
0.00	0.00	0.00	0.00	0.00

**Lines**

+

(1) Line ID	Deliv... Type	Income Type Ident...	Tax Code	HSN/SAC Code	Tax Calculation Structure	Multiple Tax Lines	Tax (%)	Tax Meth... Tax Recei...	Gross Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount
1				123456 - Batt...	INTRAB%	No			0.00	0.00	0.00	0.00	0.00	0.00

3. The user can alternatively select the state in the document address/invoice address of the Company and Supplier instead of the state in delivery address of the company via enabling the toggles **Use Company Invoice Address for Tax** and **Use Supplier Invoice Address for Tax** editable at Manual Supplier Invoice Level.

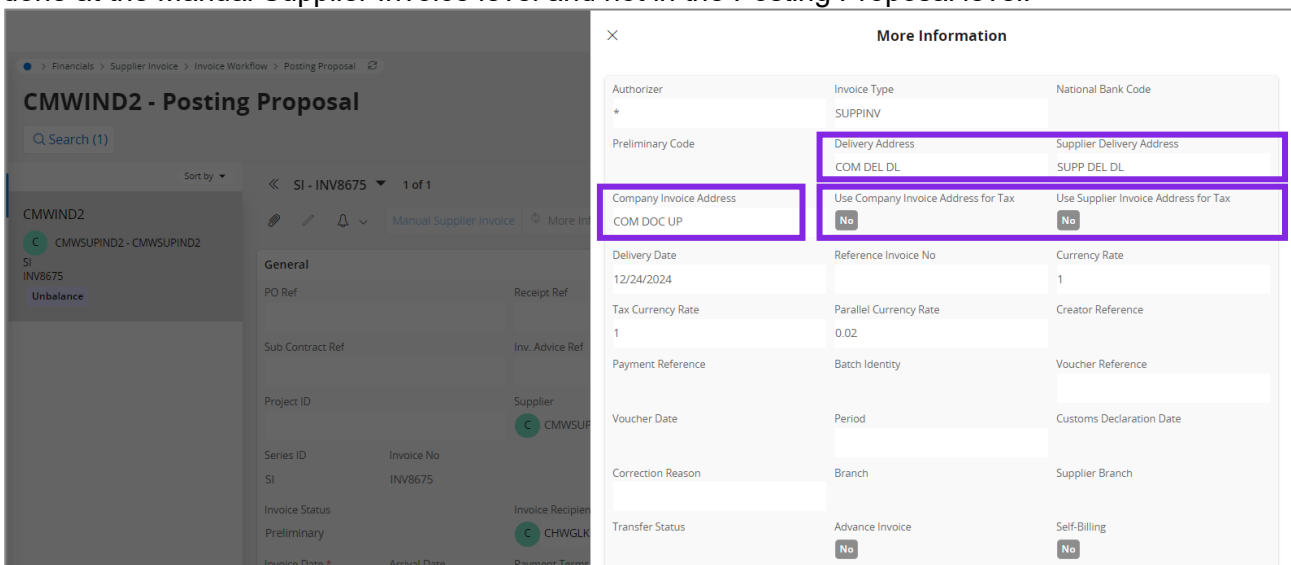
*Example 1: Once the toggle **Use Company Invoice Address for Tax** is enabled at Manual Supplier invoice level, the comparison will now change to the state in the **Supplier Delivery Address** that is DL and the state in **Company Invoice Address** that is UP, the same transaction is now classified as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in **Company Invoice Address** is DL, then the transaction will remain as an Intrastate transaction even after the toggle is enabled.*

*Example 2: Once the toggle **Use Supplier Invoice Address for Tax** is enabled at Manual Supplier invoice level, the comparison will now change to the state in the **Supplier invoice Address** that is GA and the state in **Company Delivery Address** that is DL, the same transaction is now classified*

as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in **Supplier Invoice Address** is DL, then the transaction will remain as an Intra-state transaction even after the toggle is enabled.

The relevant Tax Structure must be re-fetched accordingly, even after changes are done to the Invoice line elements like HSN/SAC Code at Posting Proposal Line Level.

However, information such as addresses, Use Company Invoice Address for Tax toggle and Use Supplier Invoice Address for Tax toggle, available in **More Information** section of **Posting Proposal** page, is not editable. Accordingly, if the user requires to change the above information, that must be done at the Manual Supplier Invoice level and not in the Posting Proposal level.



If the Manual Supplier Invoice is created based on a **Purchase Order**, the **Supplier Delivery Address**, **Supplier Invoice Address**, **Delivery Address** (Company Delivery Address), **Company Invoice Address**, and the status of **Use Company Invoice Address for Tax** toggle and **Use Supplier Invoice Address for Tax** toggle in the header level of the **Purchase Order** will be fetched and displayed in **Manual Supplier Invoice** page header level. If the Manual Supplier Invoice is created based on multiple **Purchase Orders** having different supplier/company addresses and statuses of toggles, the default values will be fetched and displayed in **Manual Supplier Invoice** page header level.

When the user selects either of the options, **Copy Unmatched PO Receipts** or **Copy Un-received PO Lines**, the Purchase Order lines will be copied to the **Manual Supplier Invoice** line-item level, along with **HSN/SAC Codes** and **Tax Structures** fetched in **Purchase Order**. The user can also manually change the HSN/SAC Codes, which will direct to re-fetch the tax structure on the supplier invoice line level.

However, if the "Match PO Receipts" command is used to manually match the invoice with a purchase order, no HSN/SAC Codes or tax information will be fetched to the invoice lines, the same as in the core solution.

HSN/SAC Code based fetching is also supported in the creation of **Recurring Invoices**, so that the user will be able to bring the information in addresses, HSN/SAC Codes, and fetched Tax Structures of a base Invoice to a **Recurring Invoice** created.

If the **Tax Structure** fetched is with **Allow Manual Amount in Tax Base** toggle enabled, then the user has the option to enter a value in the **Manual tax base amount** column available in the Invoice

Line-item level. If a value is entered in the **Manual Tax Base Amount** Column, the Taxes will be calculated considering the same as the tax base and if the field remains blank, the tax amounts will be calculated based on the net value of the invoice if **Included Price in Tax Base** toggle is also enabled for the selected tax structure line.

Moreover, as an enhancement, the HSN/SAC related information is made visible on the **Supplier Invoice Analysis** page. Accordingly, the user will be able to view,

- The **Supplier Delivery Address, Supplier Invoice Address, Company Invoice Address, Delivery Address, Use Company Invoice Address for Tax** toggle and **Use Supplier Invoice Address for Tax** toggle in the **More Information** tab.
- The **HSN/SAC Code** and **Tax Calculation Structure** in **Invoice Lines**

However, HSN/SAC Code based fetching functionality is not supported for the Supplier Invoice Template. Therefore, the user is expected to manually enter the **Supplier Delivery Address** and **HSN/SAC Code** in invoice lines when an invoice is created using a Supplier Invoice Template.

## 6.7 Project Reporting

HSN/SAC Codes and tax fetching logic have been introduced in the Project Reporting flow.

It is possible to define a default HSN/SAC code in the **Report Code Details** page.

Report Code Details										
Report Code	Report Code Name	Report Code Type	Report Code Group ID	Create Cost Accounting	Invoicability	HSN/SAC Code	Taxable	Tax Code	Valid From	Valid To
D01	Designing	Time		Yes	Invoicability	102200 - DESIGN - 102200 - DESIGN	Yes	0 - Tax 0%	2/1/2024	12/31/9999
IN01	Install	Time		Yes	Invoicability	103300 - INSTALL - 103300 - INSTALL	Yes	0 - Tax 0%	2/1/2024	12/31/9999
M01	Make	Cost		Yes	Invoicability	102500 - MACHINE - 102500 - MACHINE	Yes	0 - Tax 0%	2/1/2024	12/31/9999

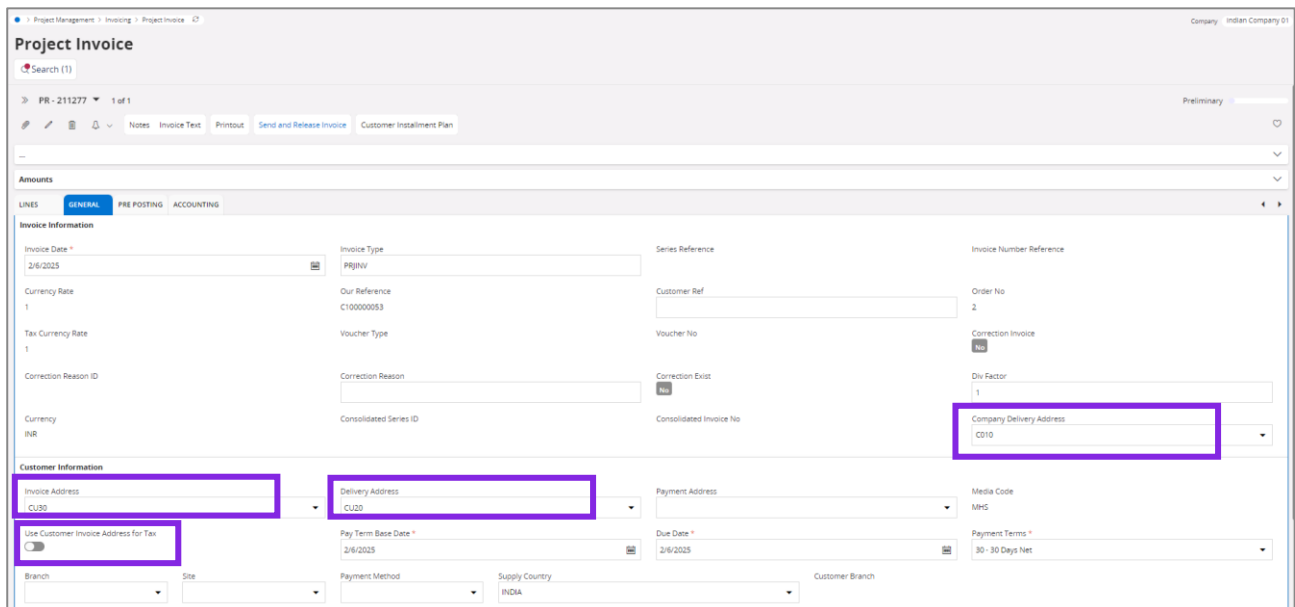
**HSN/SAC Codes** can be defined on the **Project Invoice/Lines**.

Project Invoice																				
Item ID	Invoice Text	Description	Project	Sub Project	Activity	Report Code	Quantity	Price	Net Amount	HSN/SAC Code	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax Percentage	Tax Amount	Withheld Tax Amount	Gross Amount	Report Code Group ID	Total Certified	Certif
1	Install	DP001 - DP Construction	S1 - s1	1 - Design	IN01 - Install		2	250.00	500.00	103300 - INSTALL - 103300 - INSTALL	INTRAT		Yes	90.00		590.00				
2	Designing	DP001 - DP Construction	S1 - s1	1 - Design	D01 - Designing		1	150.00	150.00	102200 - DESIGN - 102200 - DESIGN	INTRAT		Yes	27.00		177.00				

When creating a project invoice from project transactions or invoicing plans, the default value for the HSN/SAC Code field is fetched based on the **Report Code** of the project invoice line and the

Invoice Date. It is possible to modify the **HSN/SAC Code** for the invoice lines of project invoices in **Preliminary** status.

**Company Delivery Address, Customer Invoice Address, Customer Delivery Address and Use Customer Invoice Address for Tax** toggle are available in **Project Invoice/General**.



The states of **Company Delivery Address** (seller) and **Customer Delivery Address** (buyer) defined in **Project Invoice/General** are used to determine whether the transaction is Intra-state or Inter-state.

Select the **Use Customer Invoice Address for Tax** toggle to fetch Indian GST Taxes based on the **Company Delivery Address** (seller) and **Customer Invoice Address** (buyer).

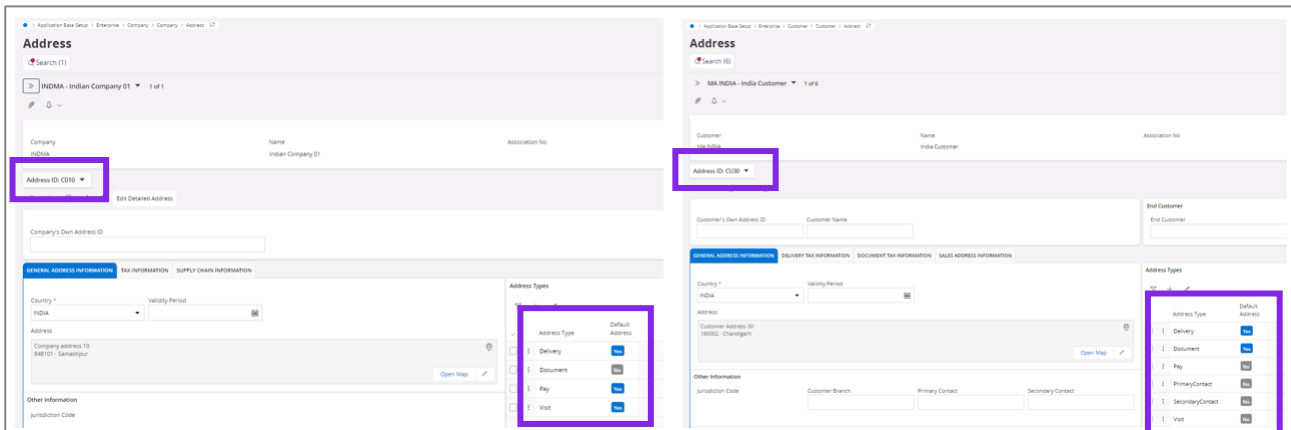
Based on the HSN/SAC code in the Project Invoice Line and the intra-state or inter-state nature of the transaction, the correct tax calculation structure is fetched.

When creating the project invoice, the default addresses defined in the basic data setup for **Company/Address** and **Customer/Address** will be fetched for the address fields. It is possible to modify these address fields and settings on the **Project Invoice/General** page:

- On **Debit Project Invoices** in **Preliminary** status.
- On **Correction Project Invoices**, where the modification only applies to debit lines.

Modifying these address fields and setting is not allowed on credit invoices.

## Default addresses defined in the basic data setup



The tax structure will be re-fetched for the below changes in the Project Invoice

- HSN/SAC Code
- Invoice Date
- Company Delivery Address
- Use Customer Invoice Address for Tax toggle
- Customer Delivery Address or Customer Invoice Address depending on the selection for the above toggle

### Delimitations

- Multi-Company Project Reporting does not support HSN/SAC Code-based fetching.
- Project Reporting for Contractors does not support HSN/SAC Code-based fetching.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 6.8 Sales Contract Management

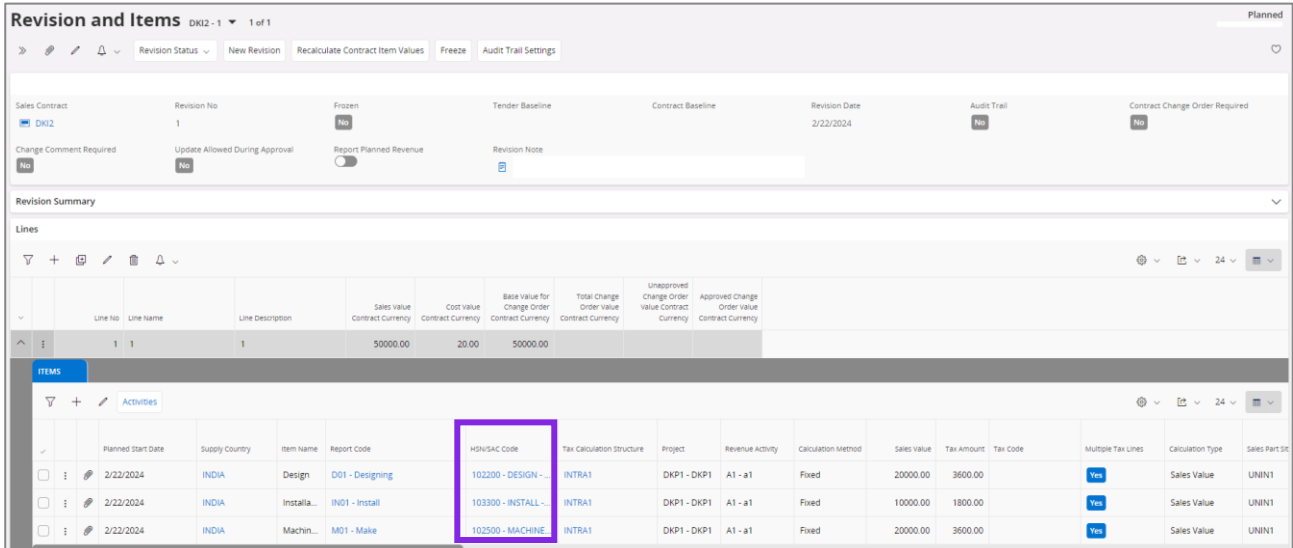
HSN/SAC Codes and tax fetching logic have been introduced in the Sales Contract Management flow. This applies to Sales Contracts, Applications for Payment, and Project Invoices created through the Application for Payment process.

### 6.8.1 SALES CONTRACT

It is possible to define a default HSN/SAC code in the **Report Code Details** page.

Report Code Details											
Report Code	Report Code Name	Report Code Type	Report Code Group ID	Create Cost Accounting	Invoicability	HSN/SAC Code	Taxable	Tax Code	Valid From	Valid To	
D01	Designing	Time		Yes	Invoiceable	102200 - DESIGN - 102200 - DESIGN	Yes	0 - Tax 0%	2/1/2024	12/31/9999	
IN01	Install	Time		Yes	Invoiceable	103300 - INSTALL - 103300 - INSTALL	Yes	0 - Tax 0%	2/1/2024	12/31/9999	
M01	Make	Cost		Yes	Invoiceable	102500 - MACHINE - 102500 - MACHINE	Yes	0 - Tax 0%	2/1/2024	12/31/9999	

**HSN/SAC Code** can also be defined in **Sales Contract Revision and Items**.



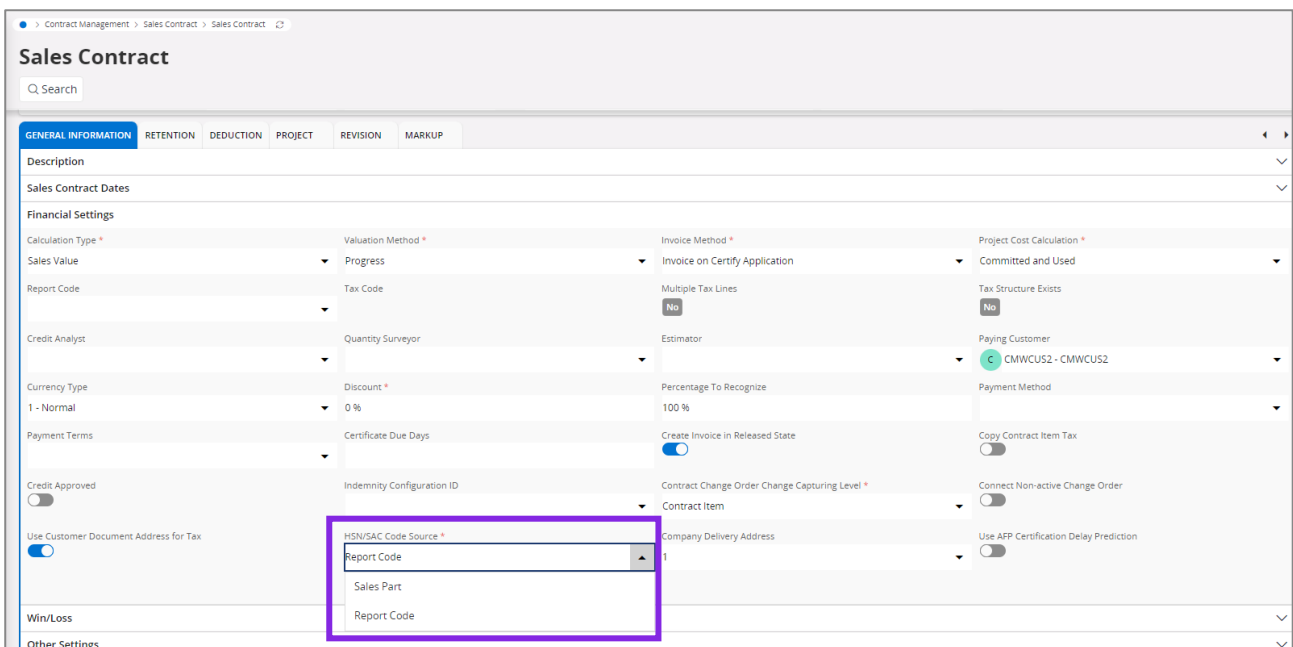
Line No	Line Name	Line Description	Sales Value Contract Currency	Cost Value Contract Currency	Base Value for Change Order Contract Currency	Total Change Order Value Contract Currency	Unapproved Change Order Value Contract Currency	Approved Change Order Value Contract Currency
1	1	1	50000.00	20.00	50000.00			

Planned Start Date	Supply Country	Item Name	Report Code	HSN/SAC Code	Tax Calculation Structure	Project	Revenue Activity	Calculation Method	Sales Value	Tax Amount	Tax Code	Multiple Tax Lines	Calculation Type	Sales Part
2/22/2024	INDIA	Design	DD1 - Designing	102200 - DESIGN -	INTRA1	DKP1 - DKP1	A1 - a1	Fixed	20000.00	3600.00		Yes	Sales Value	UNIN1
2/22/2024	INDIA	Install...	IND1 - Install	103300 - INSTALL -	INTRA1	DKP1 - DKP1	A1 - a1	Fixed	10000.00	1800.00		Yes	Sales Value	UNIN1
2/22/2024	INDIA	Machin...	MD1 - Make	102500 - MACHINE	INTRA1	DKP1 - DKP1	A1 - a1	Fixed	20000.00	3600.00		Yes	Sales Value	UNIN1

The selected value in **HSN/SAC Code Source** in **Sales Contract/General Information** determines where the HSN/SAC code is fetched from for contract items.

The default value for **HSN/SAC Code Source** is **Report Code**.



**Sales Contract**

GENERAL INFORMATION | RETENTION | DEDUCTION | PROJECT | REVISION | MARKUP

Description

Sales Contract Dates

Financial Settings

Calculation Type \* Valuation Method \* Invoice Method \* Project Cost Calculation \*

Sales Value Progress Invoice on Certify Application Committed and Used

Report Code Tax Code Multiple Tax Lines Tax Structure Exists

Credit Analyst Quantity Surveyor Estimator Paying Customer

Currency Type Discount \* Percentage To Recognize CMWCUS2 - CMWCUS2

1 - Normal 0 % 100 % Payment Method

Payment Terms Certificate Due Days Create Invoice in Released State Copy Contract Item Tax

Credit Approved Indemnity Configuration ID Contract Change Order Change Capturing Level \* Connect Non-active Change Order

Contract Item Contract Item

Use Customer Document Address for Tax HSN/SAC Code Source \* Company Delivery Address Use AFP Certification Delay Prediction

Report Code 1

Win/Loss Report Code

Other Settings

- When the **HSN/SAC Code Source** is set to **Report Code**, the HSN/SAC Code for contract items is fetched based on the **Report Code** of the Sales Contract item and the **Planned Start Date**. If no value is entered in the **Report Code** field at the item level, the default **Report Code** for the Sales Contract in **Sales Contract/General Information** will be used to fetch the HSN/SAC code.

- When the **HSN/SAC Code Source** is set to **Sales Part**, the HSN/SAC Code for contract items is fetched based on the HSN/SAC Code defined for the **Sales Part** connected to Sales Contract item. If no Sales Part is connected to contract item, then the HSN/SAC Code is fetched based on the Report Code connected to contract item.

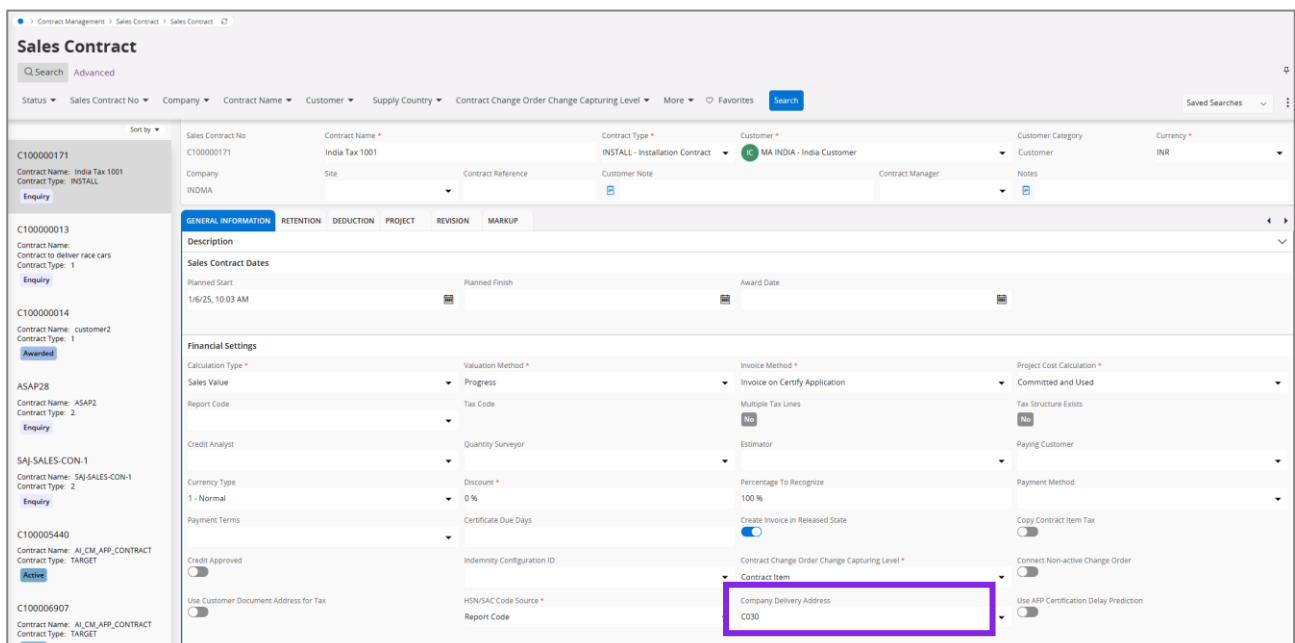
The taxability of the Report Code is considered when fetching tax in Sales Contract Management, and Sales Part taxability is not considered.

It is possible to modify the **HSN/SAC Code** of a contract item. If item **Report Code** or **Sales Part** connected to contract item change, the HSN/SAC code is re-fetched.

### 6.8.1.1 Seller and Buyer Addresses

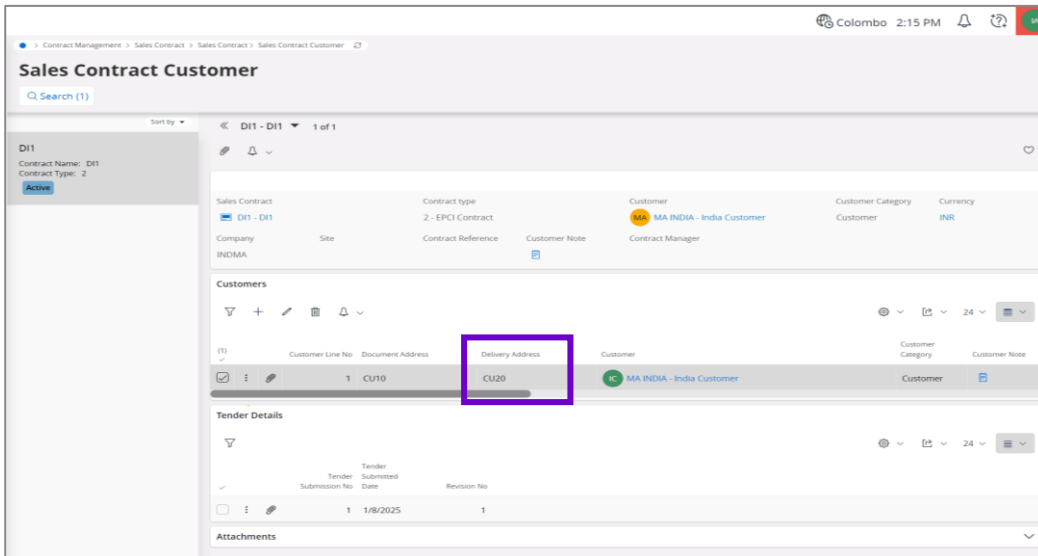
The states of the buyer and seller delivery addresses are used to determine whether the transaction is intra-state or inter-state.

**Seller Delivery Address:** The **Company Delivery Address** defined in the **Sales Contract** is considered. The default value for the **Company Delivery Address** is fetched from the **Company Default Delivery Address** defined in the basic data set up for **Company/Address**. It is possible to modify the **Company Delivery Address** in all sales contract statuses except for Completed, Closed, or Cancelled.



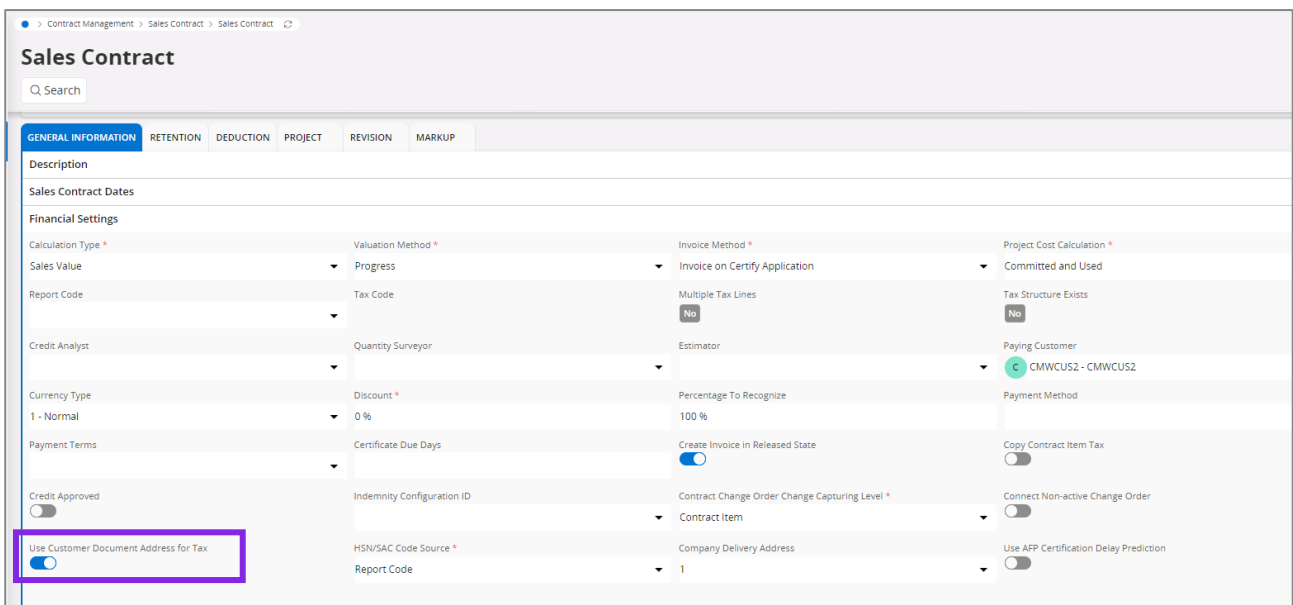
The screenshot displays the 'Sales Contract' management interface. The 'GENERAL INFORMATION' tab is selected, showing various contract details. The 'Company Delivery Address' field is highlighted with a red box, indicating its value is '0300'. Other visible fields include Contract Name, Contract Type, Customer, and various financial settings.

**Buyer Delivery Address:** Customer Delivery Address defined in **Sales Contract Customer** is considered. The default value for the **Delivery Address** is fetched from the Customer Default Delivery Address defined in the basic data set up for **Customer/Address**. It is possible to modify and override the default value on the **Sales Contract Customer**.

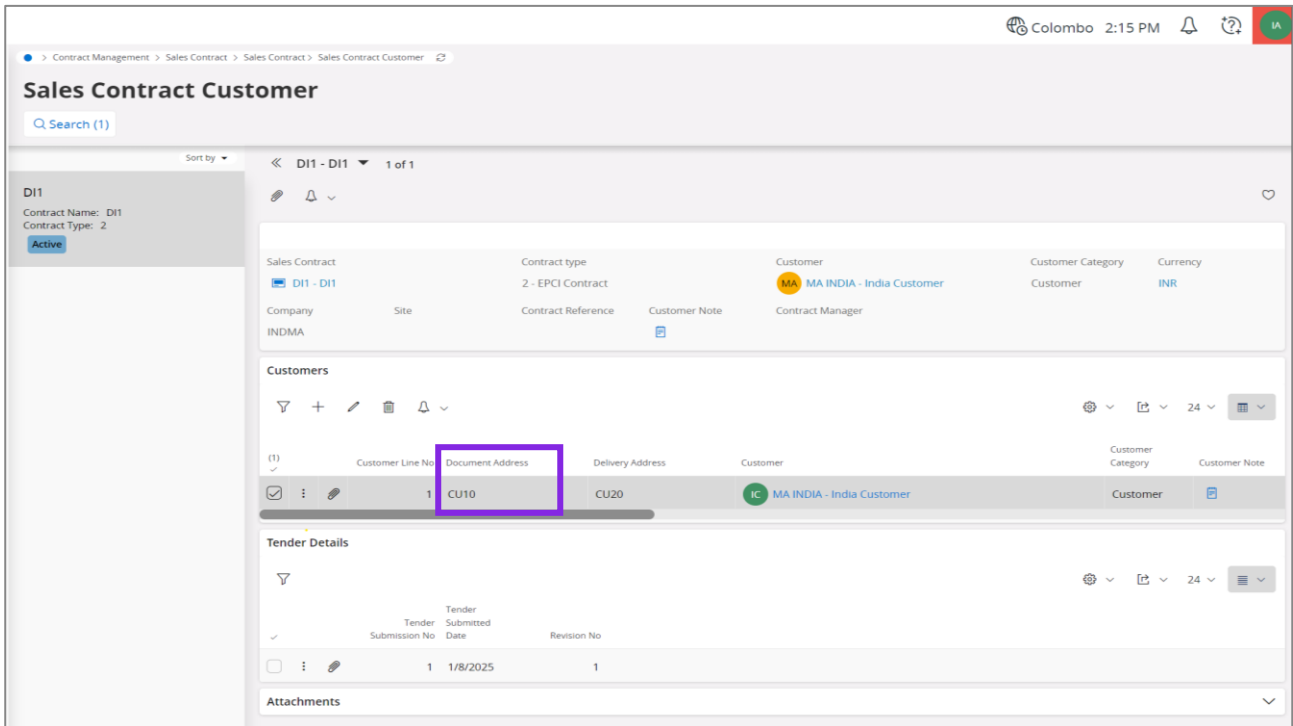


Based on the HSN/SAC code and the intra-state or inter-state nature of the transaction, the correct tax calculation structure is fetched.

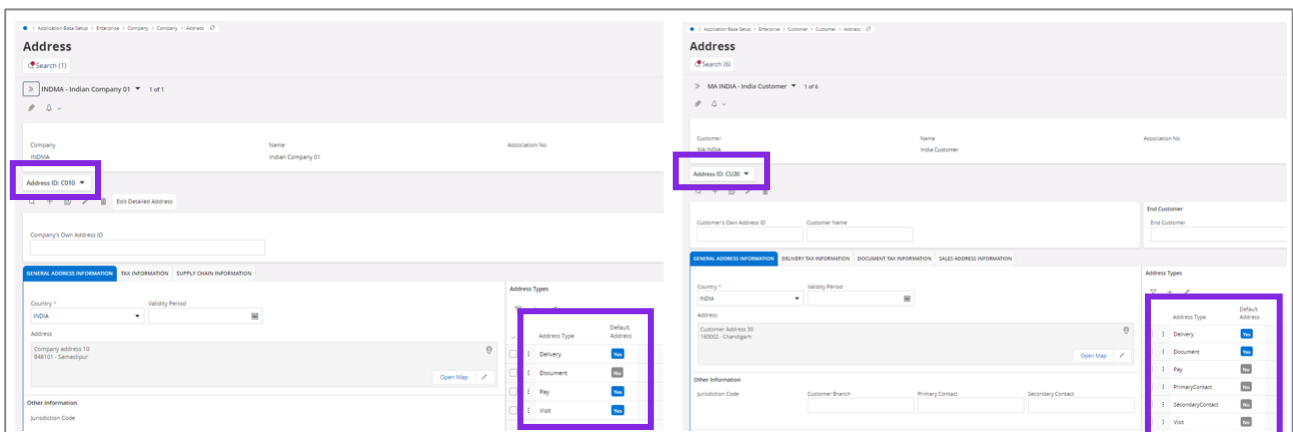
Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on customer document address and company delivery address.



The **Document Address** defined in **Sales Contract Customer** is considered. The default value for Customer Document Address is fetched from the Customer Default Document address defined in the basic data set up for **Customer/Address**. However, it is possible to modify and override the value on the **Sales Contract Customer**.



### Default addresses defined in the basic data set up



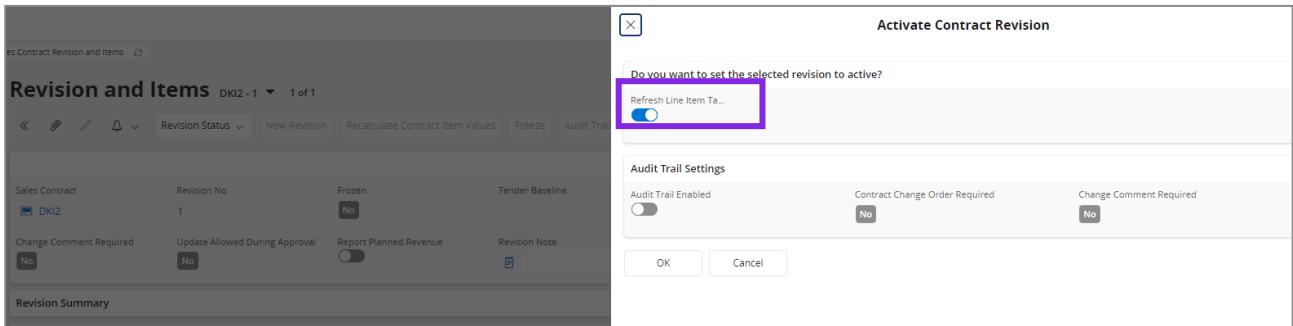
The tax structure will be re-fetched for below changes in the **Sales Contract Revision and Items**.

- HSN/SAC Code
- Planned Start Date

Additionally, the tax will be re-fetched when modifying:

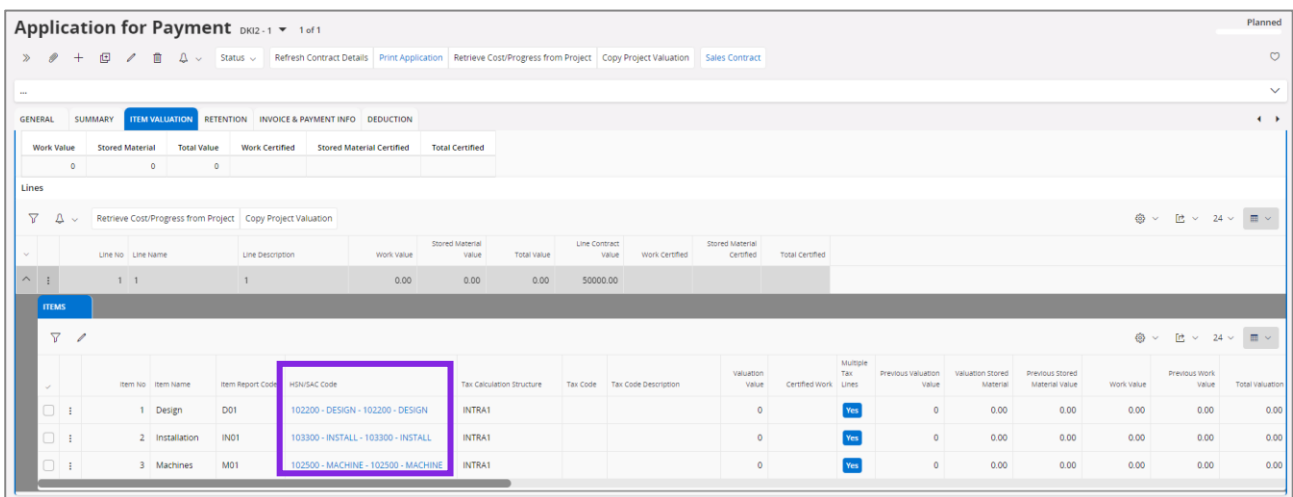
- **Use Customer Document Address for Tax** toggle in **Sales Contract**
- **Company Delivery Address** in **Sales Contract**
- **Document Address** in **Sales Contract Customer**, if the above toggle is ON
- **Delivery Address** in **Sales Contract Customer**, if the above toggle is OFF

When activating a Contract Revision and awarding the Sales Contract, if the **Refresh Line Item Tax** setting is set to YES, the Revision Item HSN/SAC codes are not impacted, but the tax is re-fetched.

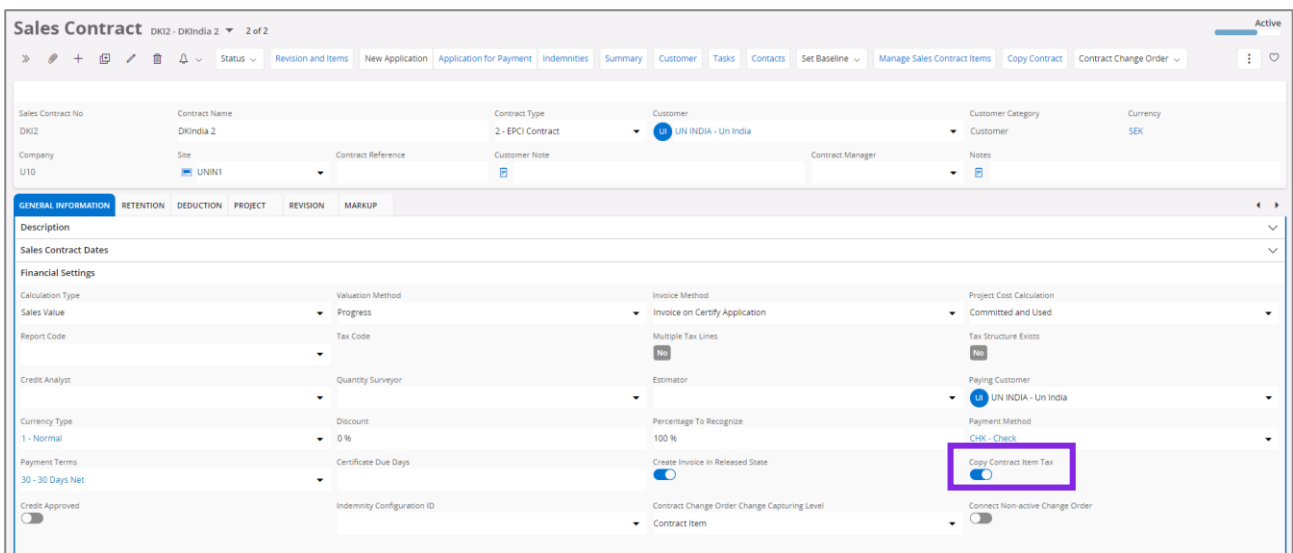


## 6.8.2 APPLICATION FOR PAYMENT (AFP)

The **HSN/SAC Code** is available in the **Application for Payment/Item Valuation** page. The HSN/SAC code of the contract item is automatically copied to this column.

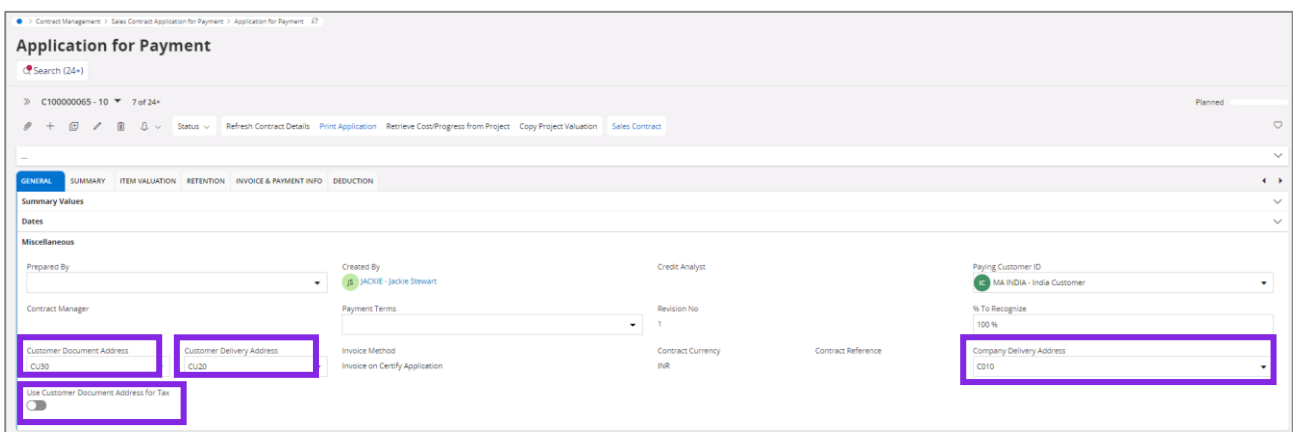


The **Copy Contract Item Tax** setting in the **Sales Contract** is used to determine whether tax should be copied to **Application for Payment Items** from the sales contract item, or if it should be re-fetched based on the latest tax set up.



- If the **Copy Contract Item Tax** is set to YES:
  - The tax information saved in **Sales Contract items**, is copied to **Application for Payment items**.
- If the **Copy Contract Item Tax** is set to NO:
  - Re-fetch Application for Payment item tax information based on the latest tax setup.

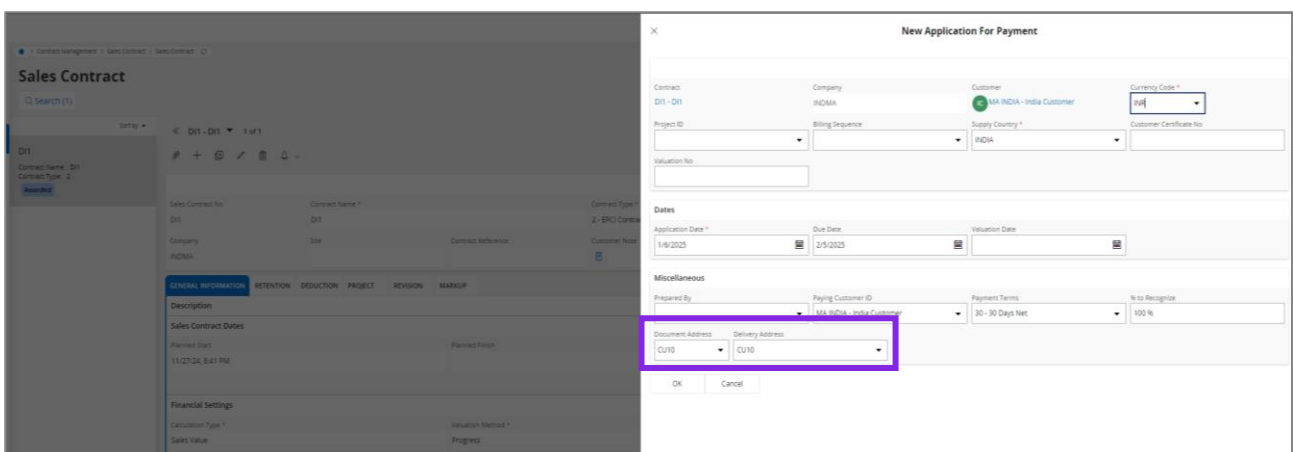
The fields **Company Delivery Address**, **Customer Delivery Address**, **Customer Document Address**, and the **Use Customer Document Address for Tax** toggle are available in the **Application for Payment** page.



When creating a new Application for Payment, the values for these fields and the setting will be copied from the **Sales Contract** and **Sales Contract Customer**.

However, it is possible to modify and override the **Customer Delivery Address** and **Customer Document Address** on the **New Application for Payment** dialog, in which case these new values will be copied to the Application for Payment.

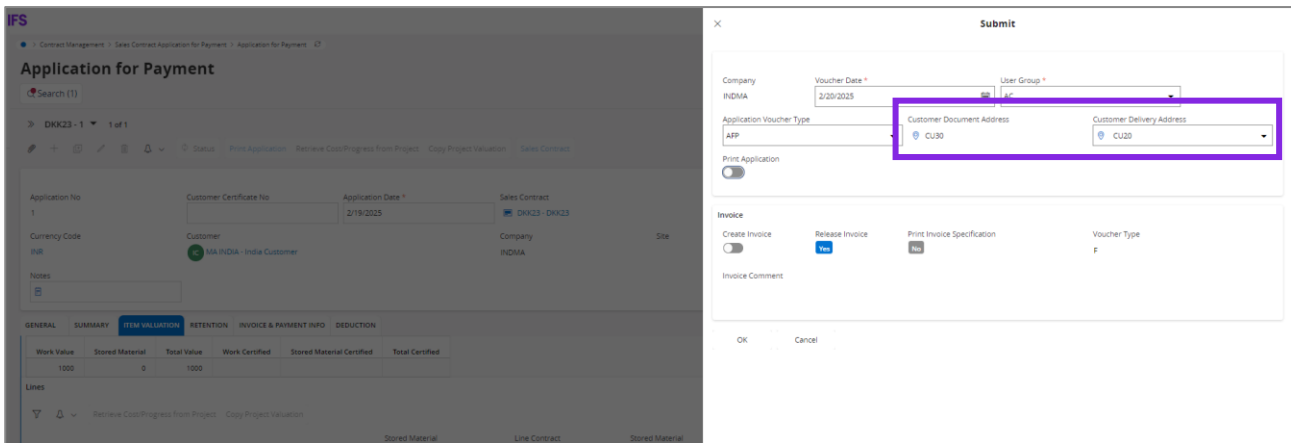
The possibility to modify these addresses depends on the **Copy Contract Item Tax** setting and the **Use Customer Document Address for Tax** setting to make sure the address changes are not causing any unnecessary tax re-fetching in the Application for Payment.



Select the **Use Customer Document Address for Tax** toggle on **Application for Payment** to fetch Indian GST Taxes based on customer document address and company delivery address.

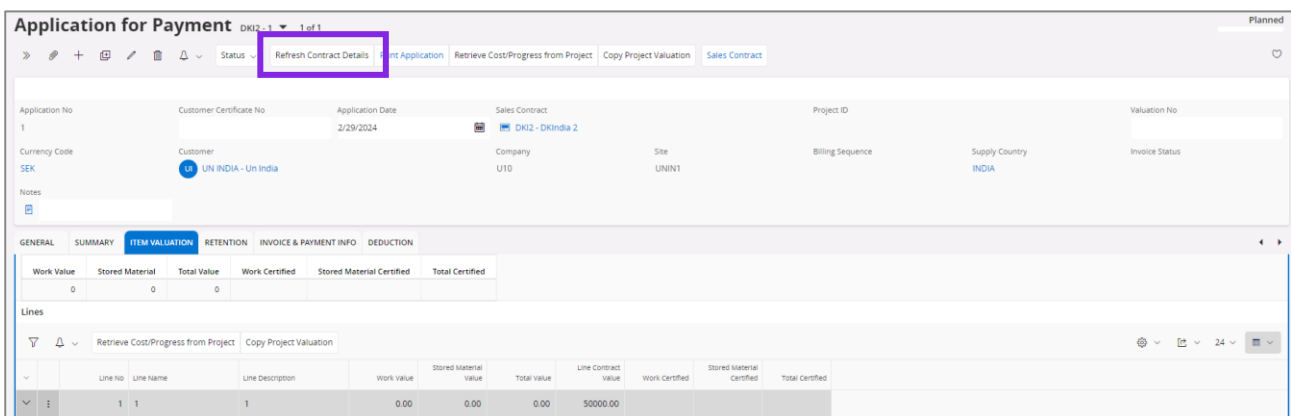
It is possible to modify **Use Customer Document Address for Tax**, **Customer Document Address**, **Company Delivery Address**, and **Customer Delivery Address** on Planned AFPs, only when the **Copy Contract Item Tax** on **Sales Contract** is set to NO, and as a result the AFP item taxes will be re-fetched.

**Customer Delivery Address** and **Customer Document Address** are available in **Submit**, **Certify Application** and the **Create Invoice** assistants.



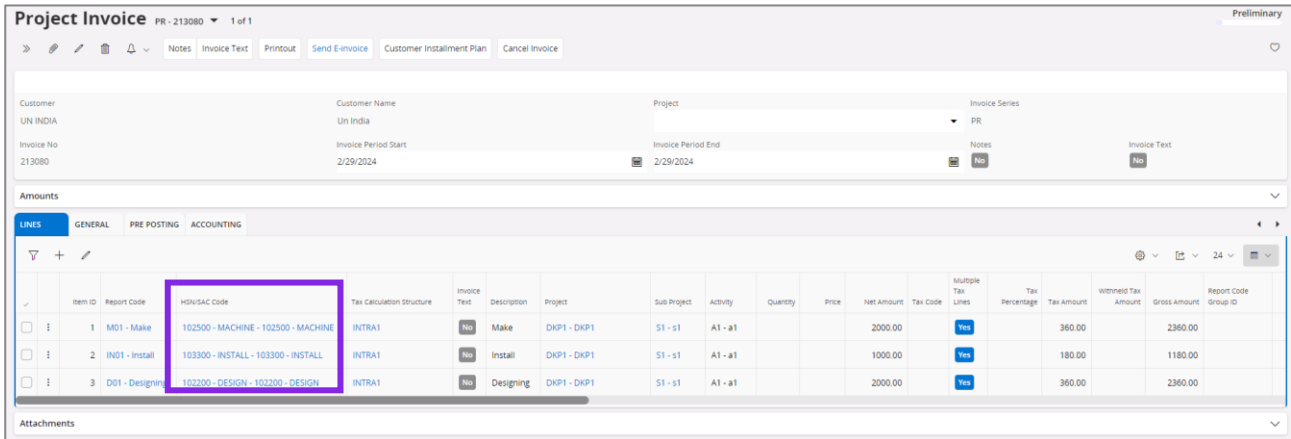
The values for these fields are retrieved from the **Application for Payment**, and it is possible to modify these addresses only when the **Copy Contract Item Tax** is set to **NO** on the **Sales Contract**. When creating a new project invoice, tax is recalculated based on the modified addresses.

If the **Refresh Contract Details** command is executed, all the information on the Application for Payment, including HSN/SAC Codes, tax information, and address information will be reset based on information on the Sales contract and Sales Contract Items.



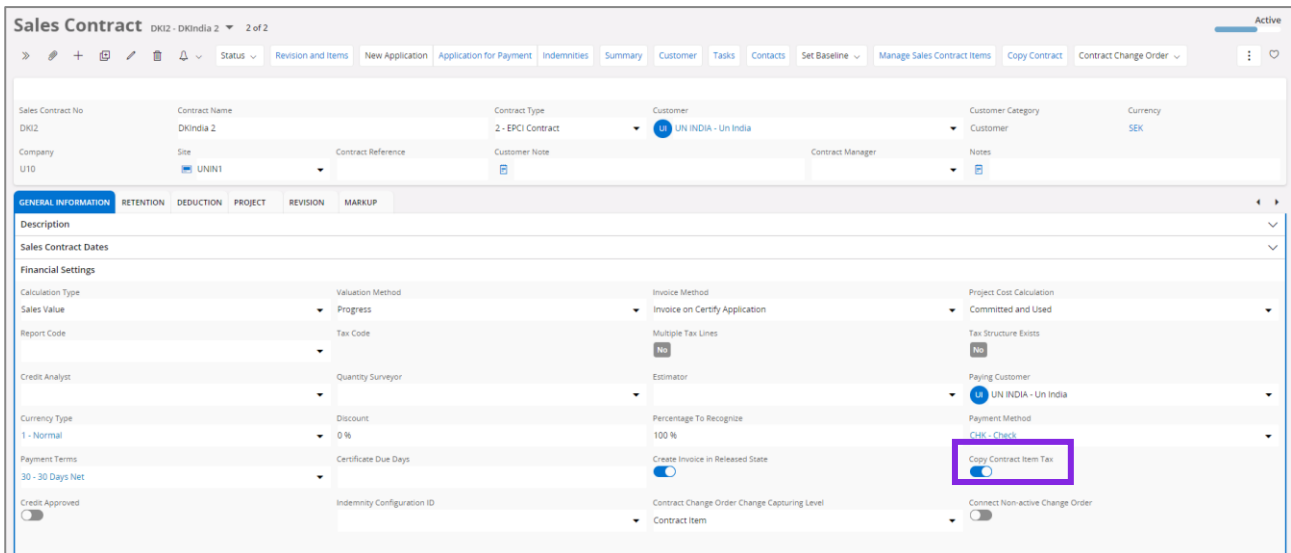
### 6.8.3 CREATING PROJECT INVOICE THROUGH APPLICATION FOR PAYMENT

When creating a Project Invoice from an Application for Payment, the Project Invoice Lines are created based on the grouping of the Report Code, HSN/SAC Code, and Tax. The **HSN/SAC Code** from the Application for Payment Items is automatically copied to the Project Invoice Lines. It is possible to modify the **HSN/SAC Code** for the invoice lines for Project Invoices in Preliminary status.



Item ID	Report Code	HSN/SAC Code	Tax Calculation Structure	Invoice Text	Description	Project	Sub Project	Activity	Quantity	Price	Net Amount	Tax Code	Multiple Tax Lines	Tax Percentage	Tax Amount	Withheld Tax Amount	Gross Amount	Report Code Group ID
1	MD1 - Make	102500 - MACHINE - 102500 - MACHINE	INTRAT	No	Make	DKP1 - DKP1	S1 - S1	A1 - a1			2000.00		Yes		360.00		2360.00	
2	IND1 - Install	103300 - INSTALL - 103300 - INSTALL	INTRAT	No	Install	DKP1 - DKP1	S1 - S1	A1 - a1			1000.00		Yes		180.00		1180.00	
3	DD1 - Designing	102200 - DESIGN - 102200 - DESIGN	INTRAT	No	Designing	DKP1 - DKP1	S1 - S1	A1 - a1			2000.00		Yes		360.00		2360.00	

The **Copy Contract Item Tax** setting in the **Sales Contract** is used to determine whether tax should be copied to the Project Invoice from the Application for Payment items, or if it should be re-fetched based on the latest tax set up.



Contract No	Contract Name	Contract Type	Customer	Customer Category	Currency
DKI2	DKIndia 2	2 - EPCI Contract	UN INDIA - Un India	Customer	SEK

Valuation Method	Invoice Method	Project Cost Calculation
Progress	Invoice on Certify Application	Committed and Used

Multiple Tax Lines	Tax Structure Exists	Paying Customer
No	No	UN INDIA - Un India

Percentage To Recognize	Copy Contract Item Tax	Payment Method
100 %	<input checked="" type="checkbox"/>	Check - Check

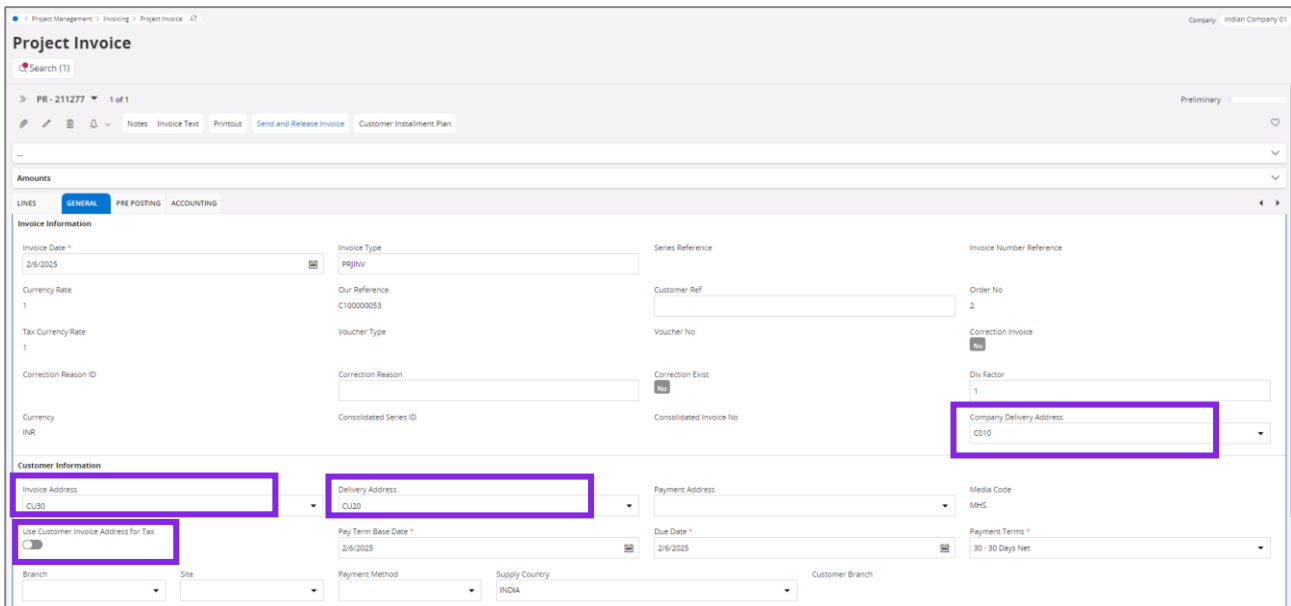
**If the Copy Contract Item Tax is set to YES**

The tax information saved in Application for Payment items will be copied to Project Invoice Lines.

**If the Copy Contract Item Tax is set to NO**

The project invoice line tax information will be re-fetched based on the latest tax setup.

**Company Delivery Address, Customer Invoice Address, Customer Delivery Address and Use Customer Invoice Address for Tax** toggle is available in Project Invoice.



The screenshot shows the 'Project Invoice' form with the following fields and values:

- Invoice Information:**
  - Invoice Date: 2/6/2025
  - Invoice Type: PRJINV
  - Series Reference: (empty)
  - Invoice Number Reference: (empty)
  - Currency Rate: 1
  - Our Reference: C10000053
  - Customer Ref: (empty)
  - Order No: 2
  - Tax Currency Rate: 1
  - Voucher Type: (empty)
  - Voucher No: (empty)
  - Correction Invoice: No
  - Correction Reason ID: (empty)
  - Correction Reason: (empty)
  - Correction Exist: No
  - Div Factor: 1
  - Currency: INR
  - Consolidated Series ID: (empty)
  - Consolidated Invoice No: (empty)
  - Company Delivery Address: CD10
- Customer Information:**
  - Invoice Address: CU30
  - Delivery Address: CU20
  - Payment Address: (empty)
  - Media Code: MMS
  - Use Customer Invoice Address for Tax:
  - Pay Term Base Date: 2/6/2025
  - Due Date: 2/6/2025
  - Payment Terms: 30 - 30 Days Net
  - Branch: (empty)
  - Site: (empty)
  - Payment Method: (empty)
  - Supply Country: INDIA
  - Customer Branch: (empty)

**Company Delivery Address** and **Customer Delivery Address** defined in **Project Invoice/General** is used to determine whether the transaction is Intra/Inter State.

Select the **Use Customer Invoice Address for Tax** toggle to fetch Indian GST Taxes based on the customer **Invoice Address** and **Company Delivery Address**.

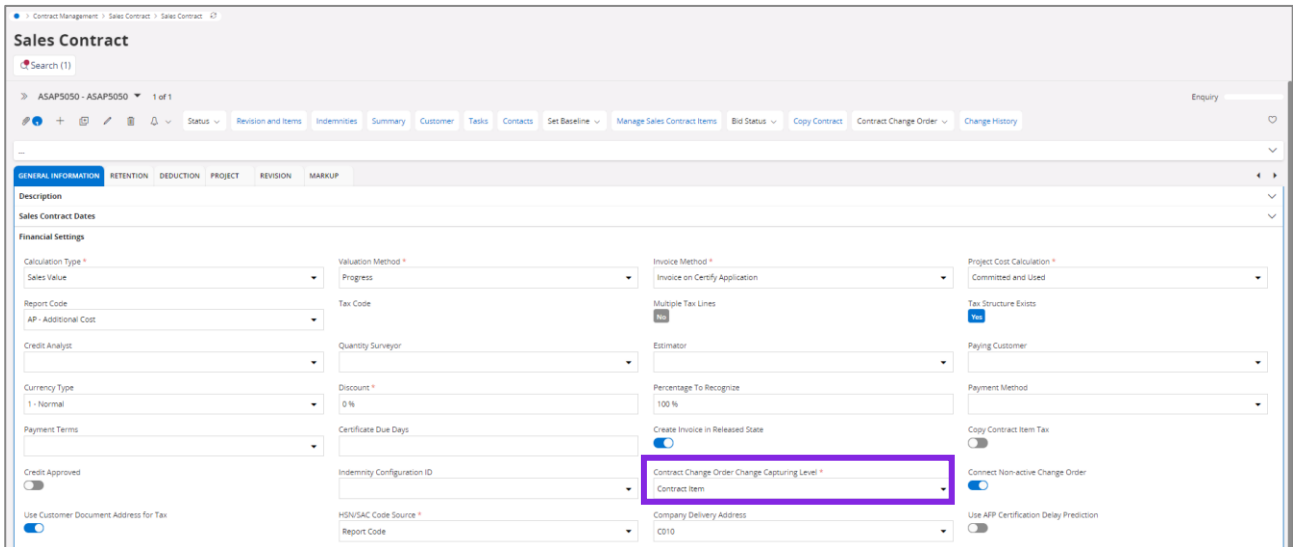
When creating the project invoice from the Application for Payment, the values for these fields and the setting will be copied from the Application for Payment, or the values entered in the **Submit, Certify Application and Create Invoice** Assistants.

It is possible to modify these fields for Debit Project Invoices only in Preliminary status, which will result in tax re-fetching in invoice lines.

Modifying these address fields and setting is not allowed on Credit Invoices.

#### 6.8.4 SALES CONTRACT CHANGE ORDER

HSN/SAC Codes and tax fetching logic have been introduced in the Sales Contract Change Order, when the **Contract Change Order Change Capturing Level** is Contract Item on the **Sales Contract** page.



**Sales Contract**

ASAP5050 - ASAP5050 1 of 1

GENERAL INFORMATION RETENTION DEDUCTION PROJECT REVISION MARKUP

**Description**

Sales Contract Dates

**Financial Settings**

Calculation Type \*  
Sales Value

Valuation Method \*  
Progress

Invoice Method \*  
Invoice on Certify Application

Project Cost Calculation \*  
Committed and Used

Report Code  
AP - Additional Cost

Tax Code

Multiple Tax Lines  
No

Tax Structure Exists  
Yes

Credit Analyst

Quantity Surveyor

Estimator

Paying Customer

Currency Type  
1 - Normal

Discount \*  
0 %

Percentage To Recognize  
100 %

Payment Method

Payment Terms

Certificate Due Days

Create Invoice in Released State  
On

Copy Contract Item Tax  
Off

Credit Approved  
Off

Indemnity Configuration ID

Contract Change Order Change Capturing Level \*  
Contract Item

Connect Non-active Change Order  
On

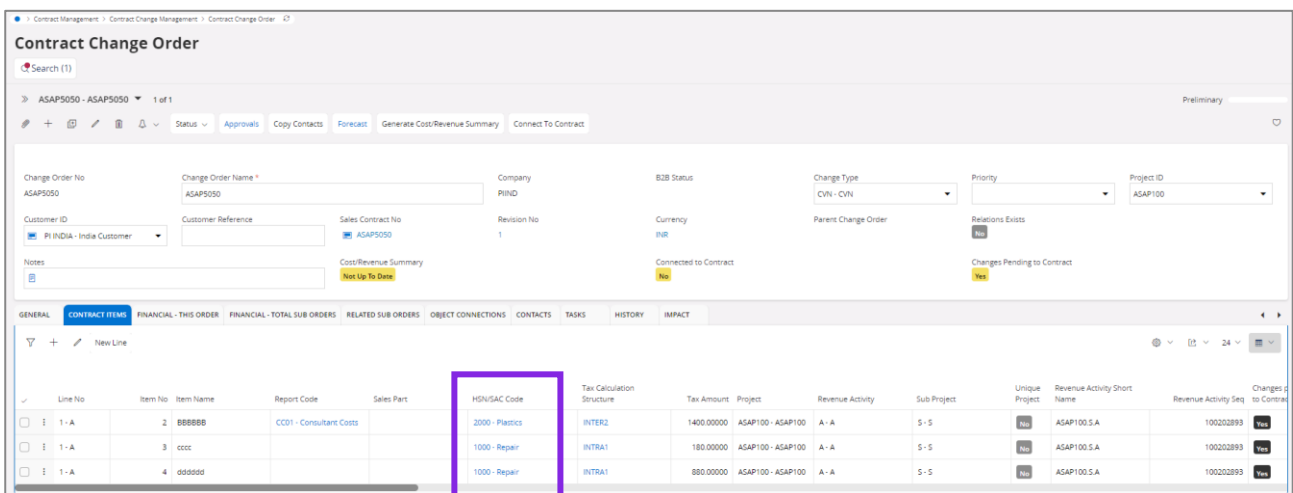
Use Customer Document Address for Tax  
On

HSN/SAC Code Source \*  
Report Code

Company Delivery Address  
CD10

Use AFP Certification Delay Prediction  
Off

It is possible to define **HSN/SAC Code** in **Contract Change Order/Contract Items**, when the Contract Change Order is created for a Sales Contract.



**Contract Change Order**

ASAP5050 - ASAP5050 1 of 1

Change Order No: ASAP5050, Change Order Name: ASAP5050, Company: PIIND, B2B Status: CYN - CYN, Change Type: CYN - CYN, Priority: , Project ID: ASAP100

Customer ID: PI (INDIA - India Customer), Customer Reference: , Sales Contract No: ASAP5050, Revision No: 1, Currency: INR, Parent Change Order: , Relations Exists: Yes

Notes: , Cost/Revenue Summary: Next Up To Disc, Connected to Contract: No, Changes Pending to Contract: Yes

Line No	Item No	Item Name	Report Code	Sales Part	HSN/SAC Code	Tax Calculation Structure	Tax Amount	Project	Revenue Activity	Sub Project	Unique Project	Revenue Activity Short Name	Revenue Activity Seq	Changes to Contract
1-A	2	BBBBBB	CC01 - Consultant Costs		2000 - Plastics	INTER2	1400.00000	ASAP100 - ASAP100	A - A	S - S	Yes	ASAP100.S.A	100202893	Yes
1-A	3	cccc			1000 - Repair	INTR1A	180.00000	ASAP100 - ASAP100	A - A	S - S	No	ASAP100.S.A	100202893	Yes
1-A	4	ddddd			1000 - Repair	INTR1A	880.00000	ASAP100 - ASAP100	A - A	S - S	No	ASAP100.S.A	100202893	Yes

The selected value in **HSN/SAC Code Source** in **Sales Contract/ General Information** is considered to determine from where the HSN/SAC code is fetched to Contract Change Order contract items.

When the **HSN/SAC Code Source** is **Report Code**, the HSN/SAC Code for Contract Change Order contract items is fetched based on the **Report Code** of the contract item, based on the **Planned Start Date**. If no value is entered in the **Report Code** field at the item level, the default **Report Code** for the Sales Contract in **Sales Contract/ General Information** will be considered to fetch the HSN/SAC code.

When the **HSN/SAC Code Source** is **Sales Part**, the HSN/SAC Code for Contract Change Order contract items is fetched based on the HSN/SAC Code defined for the **Sales Part** connected to the contract item. If no Sales Part is connected to contract item, then the HSN/SAC Code is fetched based on the Report Code connected to the contract item.

The taxability of the Report Code is considered when fetching tax in Sales Contract Management and similarly in Sales Contract Change Order, therefore the **Tax Calculation Structure** is fetched only when the relevant Report Code is taxable. Sales part taxability is not considered.

It is possible to modify **HSN/SAC Code** of a contract change order contract item. If item **Report Code** or **Sales Part** connected to contract item change, the HSN/SAC code is re-fetched.

The states of the buyer and seller delivery address are used to determine whether the transaction is Intra/Inter State.

The settings and values for buyer and seller addresses defined in the relevant **Sales Contract** and **Sales Contract Customer** are considered for the Sales Contract Change Order contract items.

Based on the HSN/SAC code and the Intra/Inter-state nature of the transaction, the correct tax calculation structure is fetched.

The tax structure will be re-fetched for following changes in the **Contract Items**.

- HSN/SAC Code
- Planned Start Date

When connecting a Contract Change Order (CCO) to a sales contract revision, the following details are copied from the CCO to the contract revision:

- HSN/SAC Code
- Tax Calculation Structure
- Tax Amount
- Tax Code

### 6.8.5 CREATING SALES CONTRACT FROM BUSINESS OPPORTUNITY

When creating sales contract from a **Business Opportunity**, it is possible to define a **HSN/SAC Code** to be applied to the sales contract items, both at the header level and at the line level.

At the line level:

- If a sales part is connected to the line, the **HSN/SAC Code** is fetched from the sales part.
- Alternatively, an **HSN/SAC Code** can be entered manually.
- If the field is left blank, the **HSN/SAC Code** defined at the header level will be applied.

× **Create Sales Contract**

Opportunity No 371	Contract Name DB01	Contract Type* EPCI Contract	Probability* 10%
Company Indian Company 01	Site Main site 1	Currency Code INR	Contract Manager Alain Prost
Calculation Method Fixed	Calculation Type Sales Value	HSN/SAC Code	Planned Start 8/28/25, 5:30 AM
Planned Finish 8/28/25, 5:30 AM			

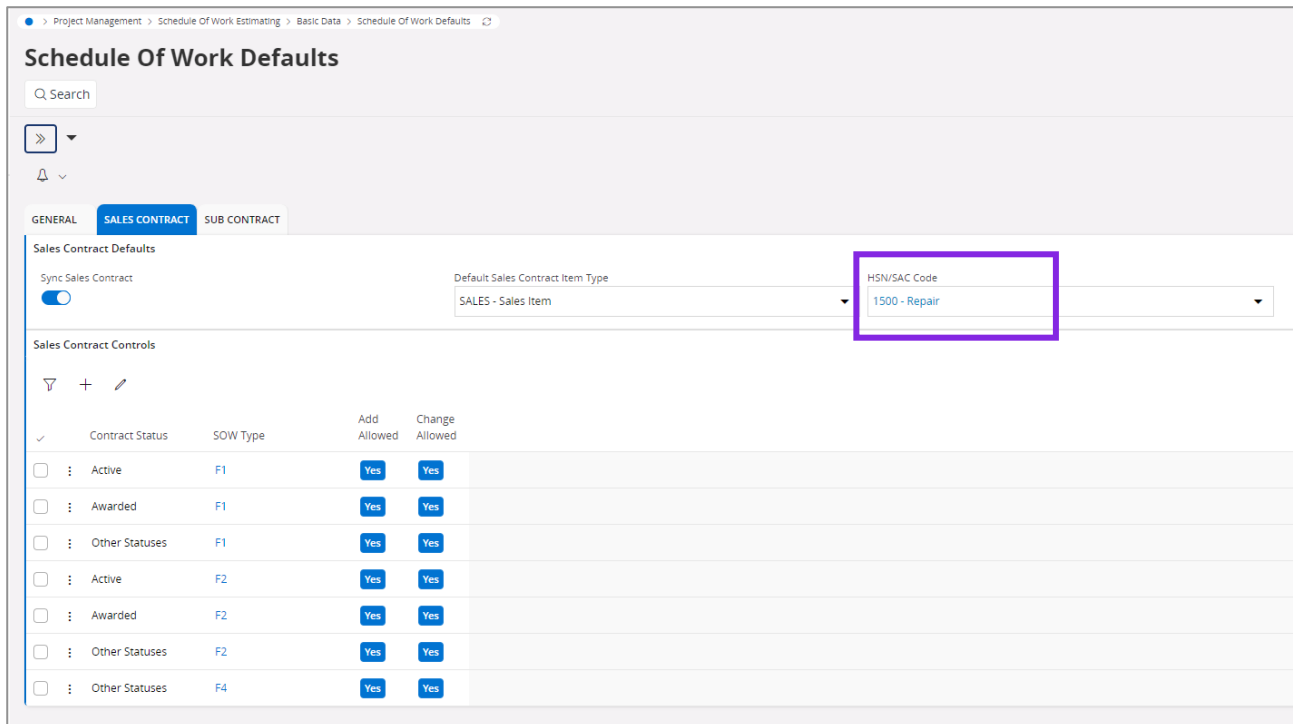
Opportunity No	Opportunity Line Number	Non-Existing Part	Site	Sales Part No	UoM	Quantity	HSN/SAC Code	Line No	Line Name	Line Description	Calculation Method	Calculation
371	1	No	Main site 1	CMIN-SALES - C...	PCS	1	1000 - Repair	1			Fixed	Sales Value
371	2	Yes	Main site 1		PCS	1		1			Fixed	Sales Value

OK
Cancel

## 6.8.6 UPDATE SALES CONTRACT FROM SCHEDULE OF WORK

It is possible to update sales contracts from **Schedule of Work Estimate Management** and **Schedule of Work Production Management** by either creating new contract items or modifying existing ones. In such cases, a default **HSN/SAC Code** can be defined in **Schedule of Work Defaults**, which will be applied to the sales contract items.

This default **HSN/SAC Code** is used only when an **HSN/SAC Code** is not already available for sales contract items created or updated through the schedule of work processes.



**Schedule Of Work Defaults**

Q Search

»

🔔

GENERAL **SALES CONTRACT** SUB CONTRACT

**Sales Contract Defaults**

Sync Sales Contract

Default Sales Contract Item Type: SALES - Sales Item

HSN/SAC Code: 1500 - Repair

**Sales Contract Controls**

Contract Status	SOW Type	Add Allowed	Change Allowed
Active	F1	Yes	Yes
Awarded	F1	Yes	Yes
Other Statuses	F1	Yes	Yes
Active	F2	Yes	Yes
Awarded	F2	Yes	Yes
Other Statuses	F2	Yes	Yes
Other Statuses	F4	Yes	Yes

### Delimitations

- The Sales Contract Advance Payment flow is not supported.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 6.9 Sub Contract Management

HSN/SAC Codes and tax fetching logic have been introduced in the Sub Contract Management flow. This applies to Sub Contracts and Valuations.

### 6.9.1 SUB CONTRACT

It is now possible to define the **HSN/SAC Code** in **Sub Contract Revision and Items**.

**Revision and Items**

Sub Contract: DEM02, Revision No: 1, Frozen: No, Report Planned Cost: No, Revision Date: 1/21/2025, Invitation Baseline: No, Contract Version: 1, Contract Baseline: No

**Revision Summary**

**Lines**

Line No	Line Name	Line Description	Value Contract Currency	Value Company Currency	Base Value for Change Order Contract Currency	Total Change Order Value Contract Currency	Unapproved Change Order Value Contract Currency	Approved Change Order Value Contract Currency
1	Swing	swing and see-saw	4500.00000	4500.00000	4500.00000			

**ITEMS**

Item No	Item Name	HSN/SAC Code	Tax Calculation Structure	Tax Code	Tax Amount	Value	Billing Sequence	Calculation Method	Change Comment	Purchase Part Site	Purchase Part	Multiple Tax Lines	Planned Start	Quantity	UoM	Non-deductible Tax Amount	Unique Project	Item Type
1	Swing	2000 - Plastics	INTER2		560.00000	2000.00000		Per Unit		LNIN1	SWING-SMAL	No	1/21/2025	2	PCS	0.00000	No	
2	See-Saw	2000 - Plastics	INTER2		420.00000	1500.00000		Per Unit		LNIN1	SEE-SAW - INS...	No	1/21/2025	1	PCS	0.00000	No	
3	Install	DK1 - DK1	DKT1		370.00000	1000.00000		Fixed				No	1/21/2025			0.00000	No	

The HSN/SAC Code for contract items is fetched based on the HSN/SAC Code defined for the **Supplier for Purchase Part** of the Purchase Part connected to the Subcontract item. If no Purchase Part is connected to the contract item, then the HSN/SAC Code needs to be entered manually.

It is possible to modify **HSN/SAC Code** of a contract item. If the purchase part connected to the contract item change, the HSN/SAC code is re-fetched.

The states of the buyer's and seller's delivery addresses are used to determine whether the transaction is intra-state or inter-state.

**Buyer Delivery Address - Company Delivery Address** defined in the **Sub Contract** is considered. The default value for the **Company Delivery Address** is fetched from the Company Default Delivery Address defined in the basic data set up for **Company/Address**. It is possible to modify and override the default value on the Subcontract.

**Sub Contract**

Sub Contract Dates: Planned Start: 2/13/25, 8:33 AM, Planned Finish: , Awarded: , Actual Start: , Actual Finish: , Closed:

**Valuation Settings**

Certificate Response Days: , Valuation Method: Progress, B2B supplier, Create Valuation Allowed: No, Receive Application:

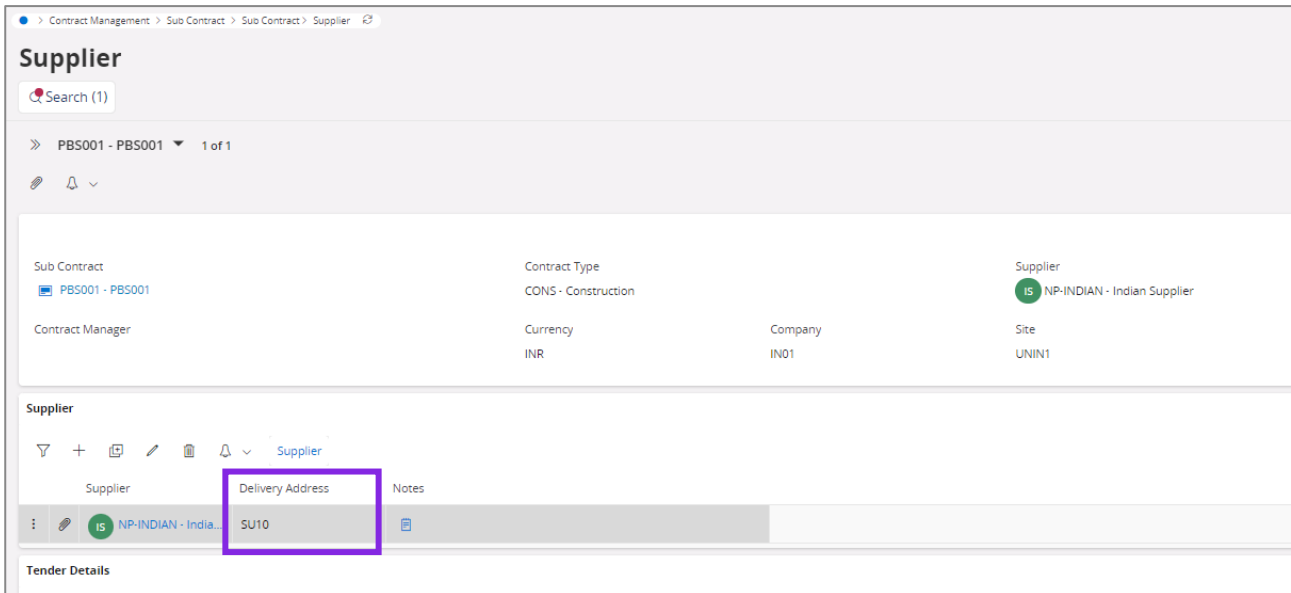
**Financial Settings**

Payment Terms: 0 - Due Immediately, Payment Method: BGF - Bank Giro Foreign, Payment Process: Pay After Invoice, Currency Type: 1 - Normal

Discount: 0%, Percentage To Recognize: 100%, Payment Analyst: , Quantity Surveyor: , Estimator: , Copy Contract Item Tax: , Credit Approved: , Indemnity Configuration ID: , Contract Change Order Change Capturing Level: Contract Item, Connect Non-active Change Order: , **Company Delivery Address: C010**, Company Document Address: C020

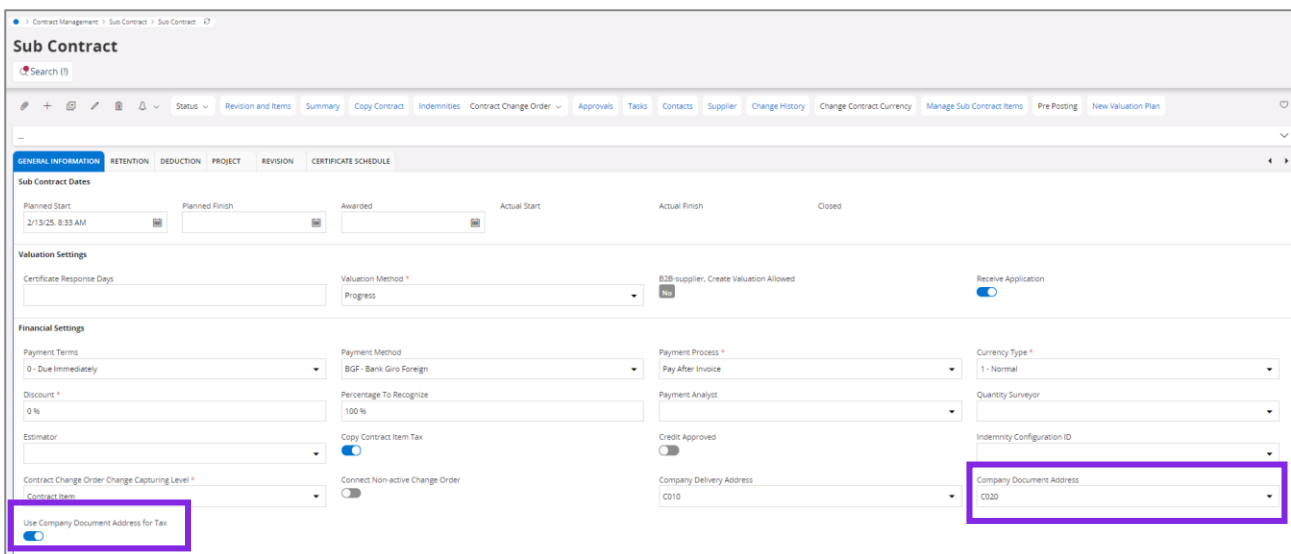
Use Company Document Address for Tax:

**Seller Delivery Address** – Supplier Delivery Address defined in Subcontract **Supplier** is considered. The default value is fetched from the Supplier Default Delivery Address defined in the basic data set up for **Supplier/Address**. It is possible to modify and override the default value on the Subcontract **Supplier**.



Based on the HSN/SAC code and the Intra/Inter State nature of the transaction, the correct tax calculation structure is fetched.

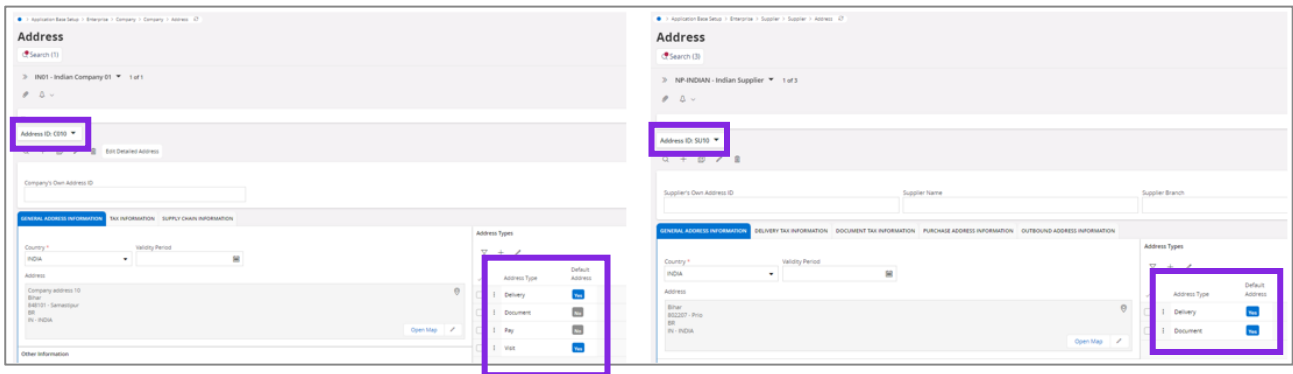
Select the **Use Company Document Address for Tax** toggle to fetch Indian GST Taxes based on the company document address and the supplier delivery address.



The **Company Document Address** defined in the **Subcontract** is considered.

The default value for the **Company Document Address** is fetched from the Company Default Document address defined in the basic data set up for **Company/Address**. However, it is possible to modify and override the value on the Subcontract.

## Default addresses defined in the basic data set up



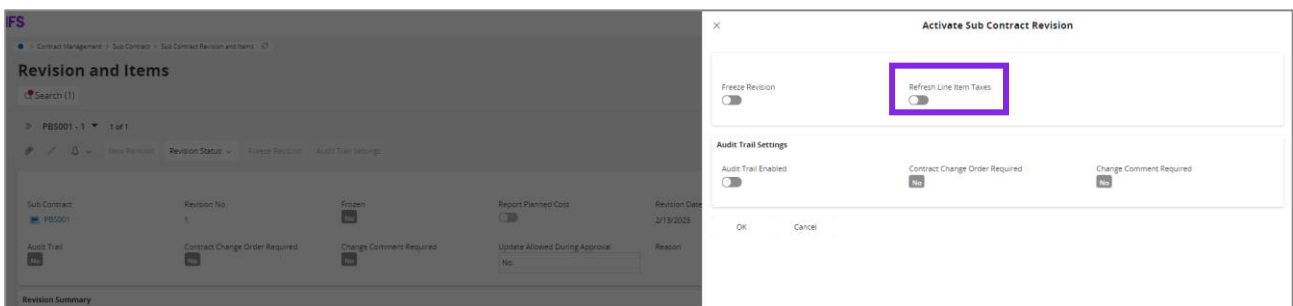
The tax structure will be re-fetched for the following changes in the **Subcontract Revision and Items**.

- HSN/SAC Code
- Planned Start Date

Additionally, the tax will be re-fetched when modifying;

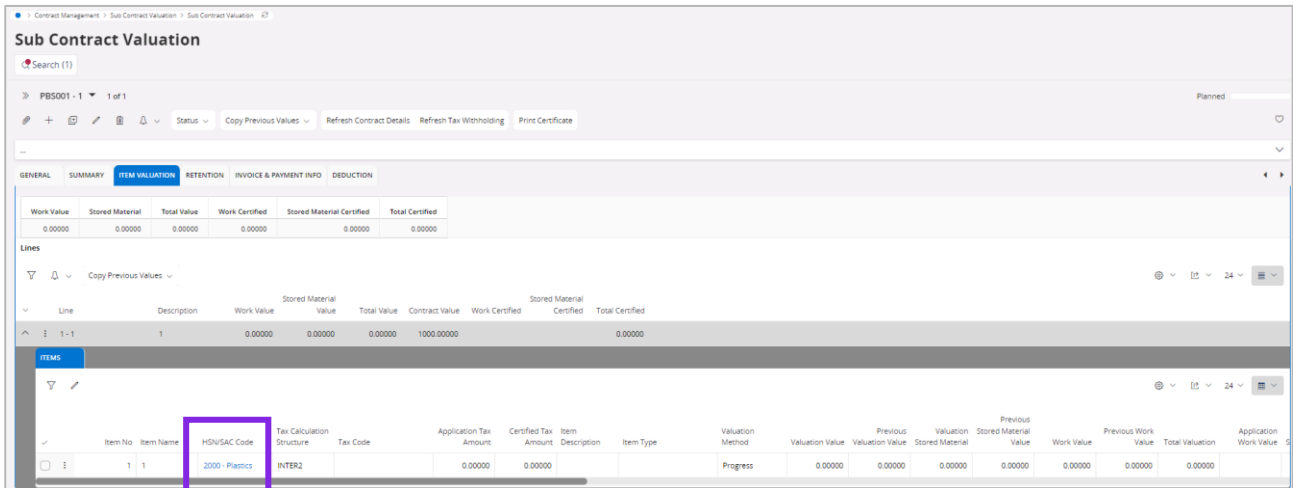
- The **Use Company Document Address for Tax** toggle in the **Sub Contract**
- The **Company Document Address** in the **Sub Contract**, if the above toggle is ON
- The **Company Delivery Address** in the **Sub Contract**, if the above toggle is OFF
- The **Supplier Delivery Address** in the Sub Contract **Supplier**

When activating the Sub Contract Revision and awarding the Sub Contract, if the **Refresh Line Item Taxes** setting is set to YES, Revision Item HSN/SAC codes are not impacted, but the tax is re-fetched.



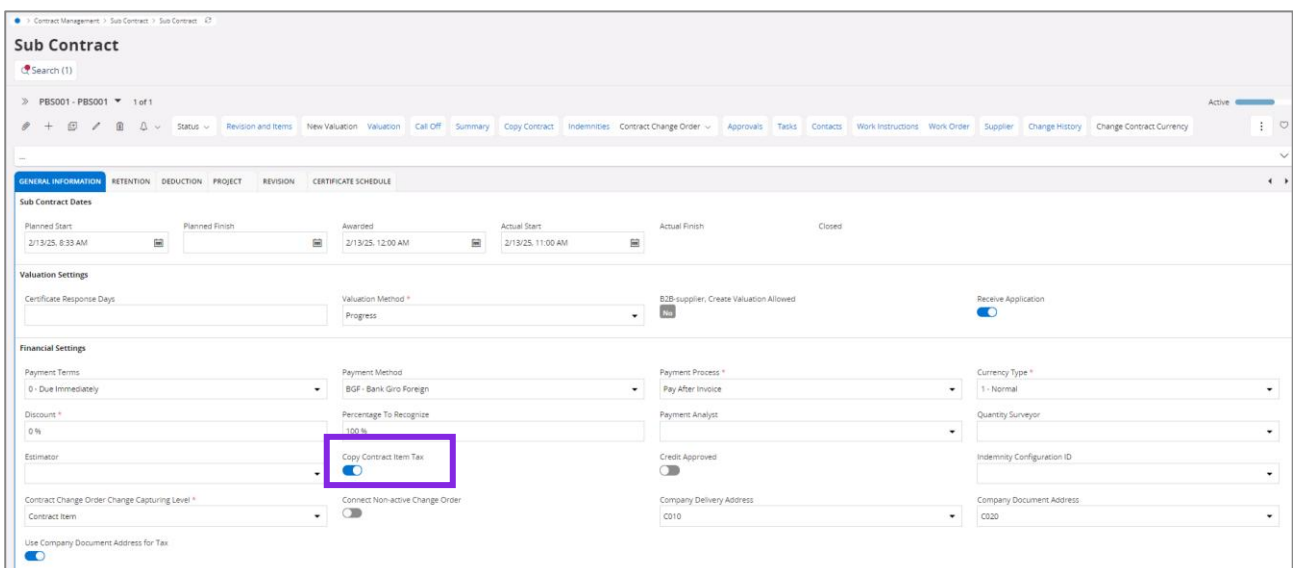
## 6.9.2 SUB CONTRACT VALUATION

The **HSN/SAC Code** is available in **Sub Contract Valuation/Item Valuation**. The HSN/SAC code of the contract item is automatically copied to this column.



The screenshot displays the 'Sub Contract Valuation' interface. The 'ITEM VALUATION' tab is active, showing a table with columns for Work Value, Stored Material, Total Value, Work Certified, Stored Material Certified, and Total Certified. Below this, the 'ITEMS' section shows a table with columns for Item No, Item Name, HSN/SAC Code, Tax Calculation Structure, Tax Code, Application Tax Amount, Certified Tax Amount, Item Description, Item Type, Valuation Method, Valuation Value, Previous Valuation Value, Previous Stored Material Value, Previous Work Value, Previous Total Valuation, and Application Work Value. The 'HSN/SAC Code' column for item 1 is highlighted with a red box, showing the value '2000 - Plastics'.

The **Copy Contract Item Tax** setting in the **Sub Contract** is used to determine whether tax should be copied to Sub Contract Valuation Items from the sub contract item, or if it should be re-fetched based on the latest tax set up.



The screenshot displays the 'Sub Contract' interface. The 'GENERAL INFORMATION' tab is active, showing various settings. The 'Copy Contract Item Tax' setting is highlighted with a red box, indicating it is set to 'YES'.

**If the Copy Contract Item Tax is set to YES**

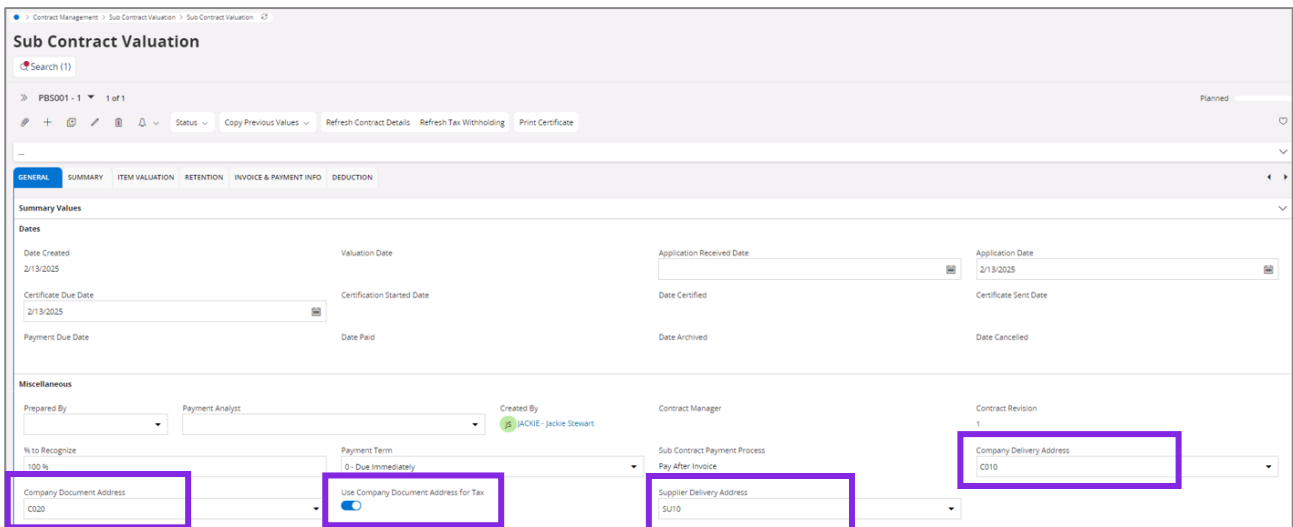
The tax information saved in Sub Contract items will be copied to Valuation items.

**If the Copy Contract Item Tax is set to NO**

The Valuation Item tax information will be re-fetched based on the latest tax setup.

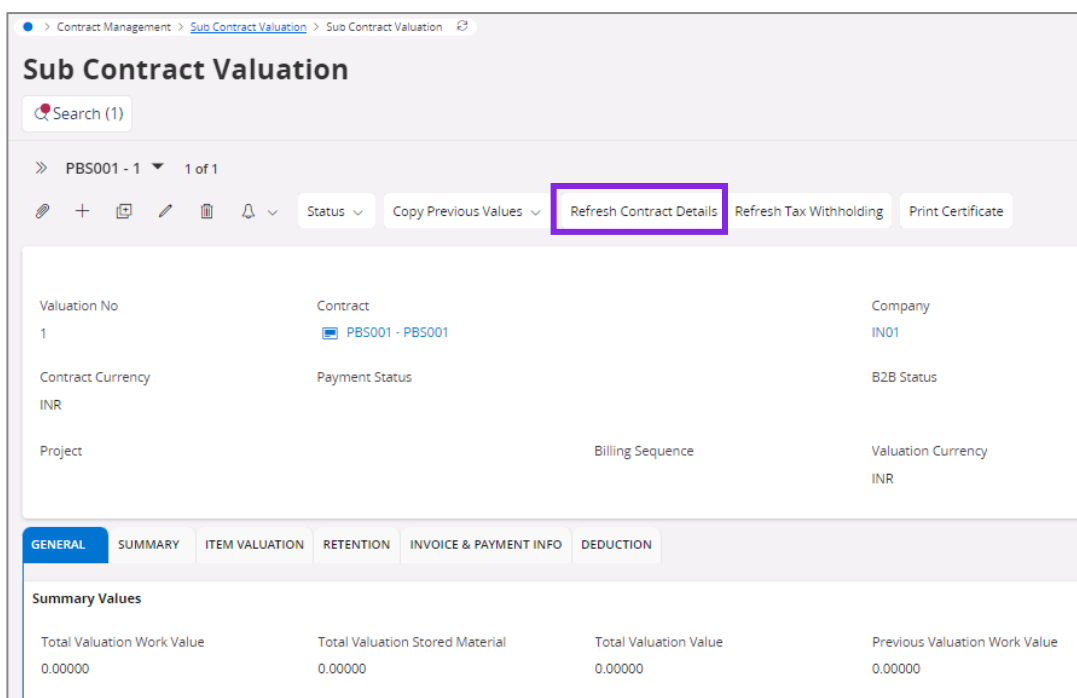
**Company Delivery Address, Company Document Address, Supplier Delivery Address, and the Use Company Document Address for Tax** toggle are available in Sub Contract Valuation. When creating the Valuation, the values for these fields and the setting will be copied from the Sub Contract.

It is possible to modify these fields and the setting on Planned Valuations only when the **Copy Contract Item Tax** is set to NO. As a result, the Valuation item taxes will be re-fetched. Select the **Use Company Document Address for Tax** toggle to fetch Indian GST based on the company document address and the supplier delivery address.



The screenshot shows the 'Sub Contract Valuation' interface. The 'Miscellaneous' section contains several fields: 'Prepared By', 'Payment Analyst', 'Created By' (JACKIE - Jackie Stewart), 'Contract Manager', 'Contract Revision' (1), 'Company Delivery Address' (C010), 'Supplier Delivery Address' (SLU10), 'Company Document Address' (C020), and 'Use Company Document Address for Tax' (a toggle switch). The 'Refresh Contract Details' button is highlighted with a purple box.

If the **Refresh Contract Details** command is executed, all the information on the Sub Contract Valuation, including HSN/SAC Codes, tax information, and addresses will be reset based on the information on the Sub contract and Sub Contract Items.

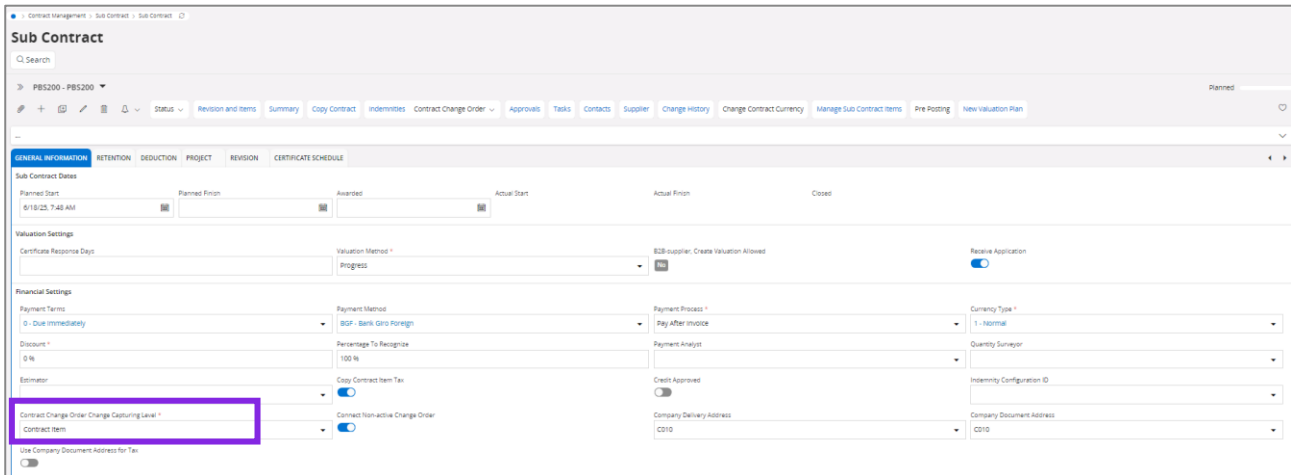


The screenshot shows the 'Sub Contract Valuation' interface. The 'Refresh Contract Details' button is highlighted with a purple box. Below the button, the 'Summary Values' section is visible, showing the following data:

Summary Values			
Total Valuation Work Value	Total Valuation Stored Material	Total Valuation Value	Previous Valuation Work Value
0.00000	0.00000	0.00000	0.00000

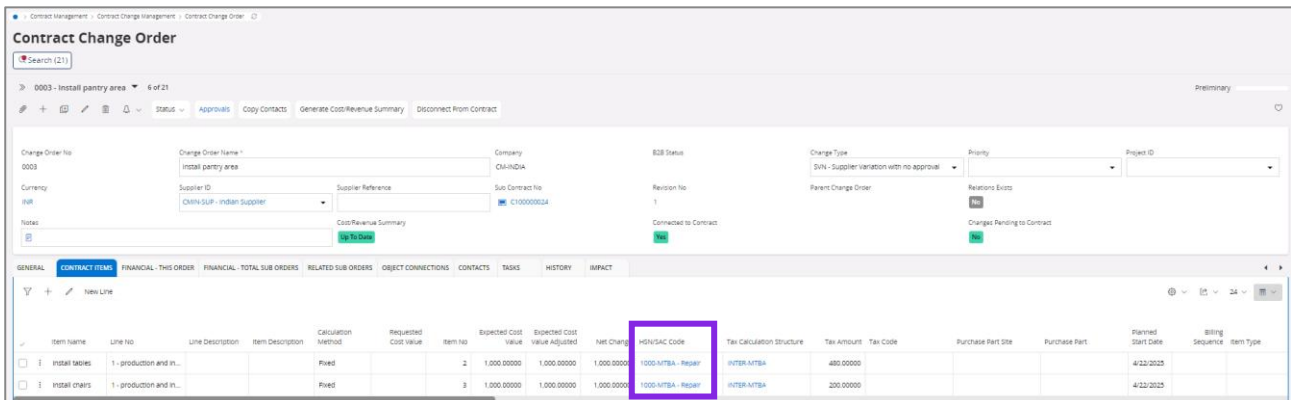
### 6.9.3 SUB CONTRACT CHANGE ORDER

HSN/SAC code handling and tax calculation logic have been introduced in sub contract change orders, applicable when the **Contract Change Order Change Capturing Level** is set to **Contract Item** on the **Sub Contract** page.



The screenshot shows the 'Sub Contract' page with various settings. The 'Contract Change Order Change Capturing Level' is highlighted in a purple box and set to 'Contract Item'. Other visible settings include 'Payment Terms' (Due Immediately), 'Payment Method' (BSP - Bank Giro Foreign), 'Payment Process' (Pay After Invoice), and 'Currency Type' (1 - Normal).

It is possible to define **HSN/SAC Code** in **Contract Change Order/Contract Items**, when the contract change order is created for a sub contract.



The screenshot shows the 'Contract Change Order' page with a table of contract items. The 'HSN/SAC Code' column is highlighted in a purple box for two items. The table data is as follows:

Item Name	Line No	Line Description	Item Description	Calculation Method	Requested Cost Value	Item No	Expected Cost Value	Expected Cost Value Adjusted	Net Change	HSN/SAC Code	Tax Calculation Structure	Tax Amount	Tax Code	Purchase Part 254	Purchase Part	Planned Start Date	Billing Sequence	Item Type
Install chairs	1	production and in...		Fixed		2	1,000.00000	1,000.00000	1,000.00000	1000-MTBA - Repair	HTER-MTBA	480.00000				4/22/2025		
Install chairs	1	production and in...		Fixed		3	1,000.00000	1,000.00000	1,000.00000	1000-MTBA - Repair	HTER-MTBA	200.00000				4/22/2025		

- If a purchase part is connected to the contract item, the **HSN/SAC Code** is automatically fetched from the **Supplier for Purchase Part**.
- If no purchase part is connected, the **HSN/SAC Code** must be entered manually.
- The **HSN/SAC Code** of a contract change order contract item can also be modified manually. If the connected purchase part is changed, the **HSN/SAC Code** is re-fetched accordingly.

The states of the buyer and seller delivery addresses are used to determine whether the transaction is intra-state or inter-state.

The settings and values for buyer and seller addresses defined in the relevant **Sub Contract** and **Sub Contract Supplier** are considered for the sub contract change order contract items.

Based on the HSN/SAC code and the Intra/Inter-state nature of the transaction, the correct tax calculation structure is fetched.

The tax structure will be re-fetched for following changes in the **Contract Items**.

- **HSN/SAC Code**
- **Planned Start Date**

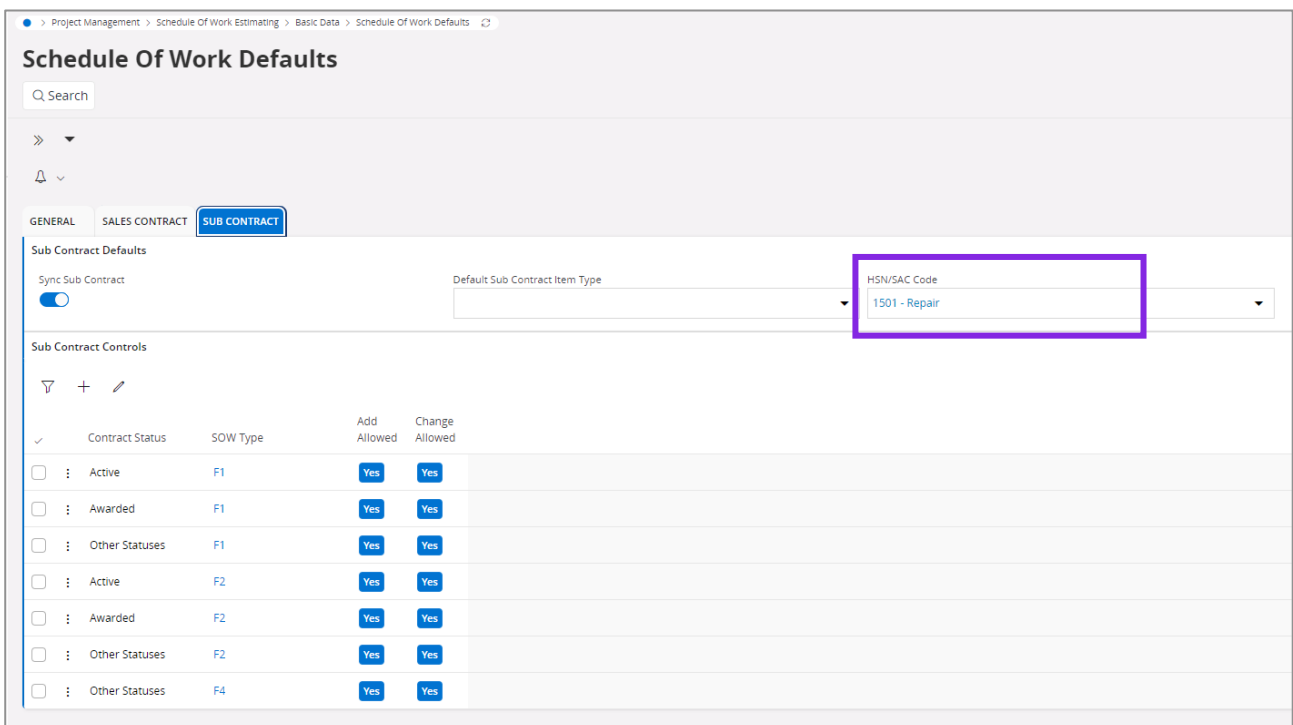
When connecting a contract change order (CCO) to a sub contract revision, the following details are copied from the CCO to the contract revision:

- **HSN/SAC Code**
- **Tax Calculation Structure**
- **Tax Amount**
- **Tax Code**

#### 6.9.4 UPDATE SUB CONTRACT FROM SCHEDULE OF WORK

It is possible to update sub contracts from **Schedule of Work Estimate Management** and **Schedule of Work Production Management** by either creating new contract items or modifying existing ones. In such cases, a default **HSN/SAC Code** can be defined in **Schedule of Work Defaults**, which will be applied to the sub contract items.

This default **HSN/SAC Code** is used only when an **HSN/SAC Code** is not already available for sub contract items created or updated through the schedule of work processes.



**Schedule Of Work Defaults**

Sub Contract Defaults

Sync Sub Contract:

Default Sub Contract Item Type:

HSN/SAC Code: **1501 - Repair**

Sub Contract Controls

Contract Status	SOW Type	Add Allowed	Change Allowed
Active	F1	Yes	Yes
Awarded	F1	Yes	Yes
Other Statuses	F1	Yes	Yes
Active	F2	Yes	Yes
Awarded	F2	Yes	Yes
Other Statuses	F2	Yes	Yes
Other Statuses	F4	Yes	Yes

#### Delimitations

- Sub contract self-billing invoices are not supported for HSN/SAC code-based fetching.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

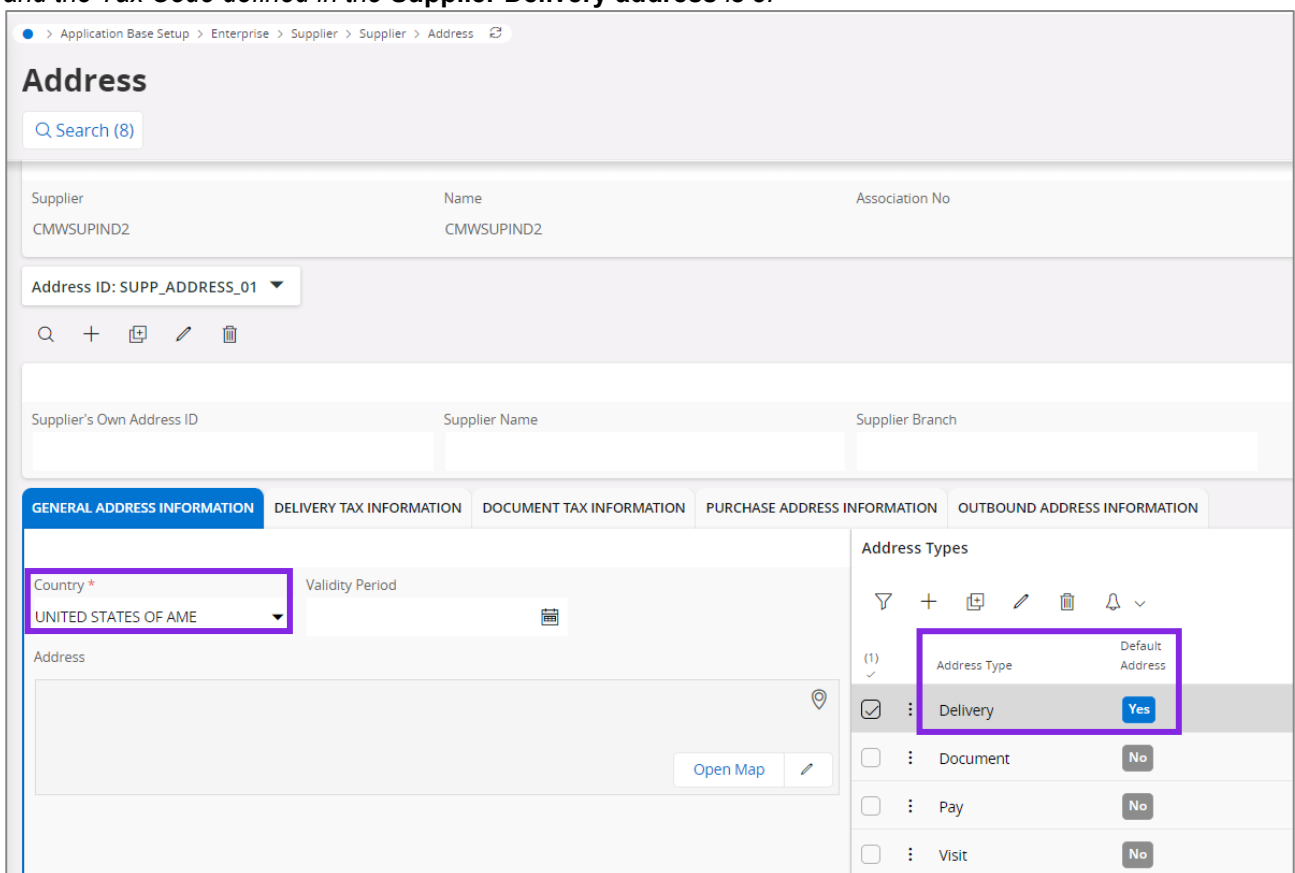
## 6.10 Export and Import Handling

Exports and Imports are transactions that extends outside geographical boundaries of India and HSN/SAC code-based fetching is not applicable for said transactions as per the Indian GST tax regime. To facilitate Tax Fetching in these scenarios, IFS Cloud, Indian Solution has diverted the Tax Fetching Logic to the IFS Core Tax Fetching Logic so that the user can define taxes applicable for Import and Export transactions in Supplier, Customer, and Company Basic data and fetch them to Import and Export transactions.

### Import Transaction

1. The user must set up address-specific or supplier-specific Tax Codes/Tax Structures aligning with the Core Tax Fetching Logic in Company or Supplier Basic data.

*Example: Assume an Import Transaction where the default **Supplier Delivery** address is in the he USA and the Tax Code defined in the **Supplier Delivery** address is 3.*



The screenshot shows the 'Address' configuration page in IFS Cloud. The breadcrumb trail is: Application Base Setup > Enterprise > Supplier > Supplier > Address. The page title is 'Address'. A search bar shows 'Search (8)'. Below this, a table lists the supplier details: Supplier (CMWSUPIND2), Name (CMWSUPIND2), and Association No. The 'Address ID' is SUPP\_ADDRESS\_01. There are icons for search, add, edit, and delete. Below this, there are fields for 'Supplier's Own Address ID', 'Supplier Name', and 'Supplier Branch'. The page is divided into tabs: GENERAL ADDRESS INFORMATION (selected), DELIVERY TAX INFORMATION, DOCUMENT TAX INFORMATION, PURCHASE ADDRESS INFORMATION, and OUTBOUND ADDRESS INFORMATION. In the 'GENERAL ADDRESS INFORMATION' tab, the 'Country' dropdown is set to 'UNITED STATES OF AME' and is highlighted with a purple box. The 'Validity Period' field is empty. Below this is an 'Address' text area with an 'Open Map' button. On the right side, there is an 'Address Types' section with a list of address types and their status as 'Default Address':

Address Type	Default Address
Delivery	Yes
Document	No
Pay	No
Visit	No

> Application Base Setup > Enterprise > Supplier > Supplier > Address

## Address

Search (8)

Supplier's Own Address ID      Supplier Name      Supplier Branch

GENERAL ADDRESS INFORMATION  
 **DELIVERY TAX INFORMATION**  
 DOCUMENT TAX INFORMATION  
 PURCHASE ADDRESS INFORMATION  
 OUTBOUND ADDRESS INFORMATION

Company: CMWIND1 - Without Posting Proposal Indian Company

Tax Calculation Structure      Use Supplier Address for Tax

Taxes

Tax Code	Tax (%)	Validity Period
3 - Tax with reduction 2...	6	1/1/2020 - 12/31/2049

Tax Exempt Information

The state in **Company Delivery Address** is DL(Delhi) and the country is India.

Application Base Setup > Enterprise > Company > Company > Address

## Address

Search (3)

Company	Name	Association No
CMWIND2	With Posting Proposal Indian Company	

Address ID: COM DEL DL

Company's Own Address ID

GENERAL ADDRESS INFORMATION | TAX INFORMATION | SUPPLY CHAIN INFORMATION

Country \*  
INDIA

Validity Period

Address  
No 3  
Sri Vihar  
- DL  
Delhi

Open Map

Other Information

Address Types

Address Type	Default Address
<input checked="" type="checkbox"/> Delivery	Yes
<input type="checkbox"/> Document	No
<input type="checkbox"/> Pay	No
<input type="checkbox"/> Visit	No

- At transaction entry header levels, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the supplier and the company, to determine whether the transaction is Interstate or Intrastate. When the Supplier delivery address is not in India, the Tax Fetching Logic will shift to Core Tax Fetching logic.

Financials > Supplier Invoice > New Manual Supplier Invoice

## New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company	Voucher Date *	Accounting Year	Accounting Period	User Group *	Voucher Type *	Voucher No
CMWIND1	12/24/2024	2024	12	AC	I	

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier *
					CMWSUPIND2 - CMWSUPIND2

Invoice Type *	Series ID *	Invoice No *	Currency *	Currency Rate	Invoice Date *	Arrival Date	Pay Term Base Date *
SUPPINV	SI	INV857	INR	1	12/24/2024	12/24/2024	12/24/2024

Payment Terms *	Due Date	Plan Pay Date	Payment Reference	Automatic Payment Authorization *	Authorizer ID
0	12/24/2024	12/24/2024		No	*

Advance Invoice

Gross Amount

Net Amount

Tax Amount

More Information

Reference Series	Reference Invoice No	Invoice Recipient	Supplier Invoice Address	Supplier Delivery Address	Company Invoice Address
		CHWGLK - CHWGLK	SUPP DOC GA	SUPP_ADDRESS_01	COM DOC UP

Delivery Address: COM DEL DL

Use Company Invoice Address for Tax

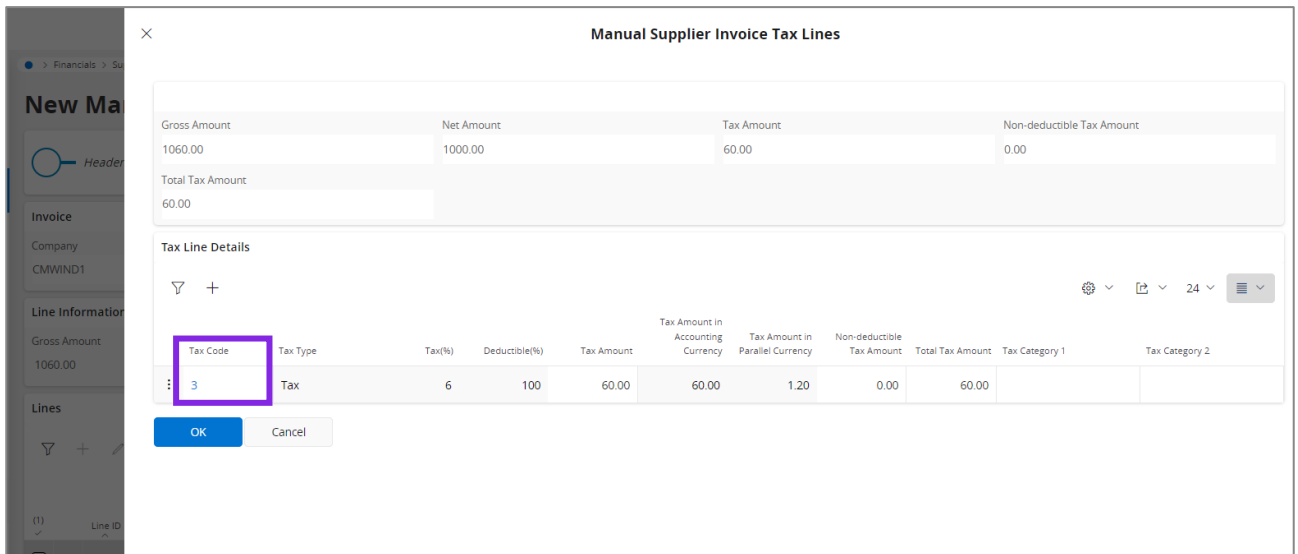
Use Supplier Invoice Address for Tax

Use Project Address for Tax

Reference Supplier

Preliminary Code

- Then, at Transaction line-item level, defined core tax codes or Tax Calculation Structures will be fetched instead of Tax Calculation Structures fetched based on the HSN/SAC Code.



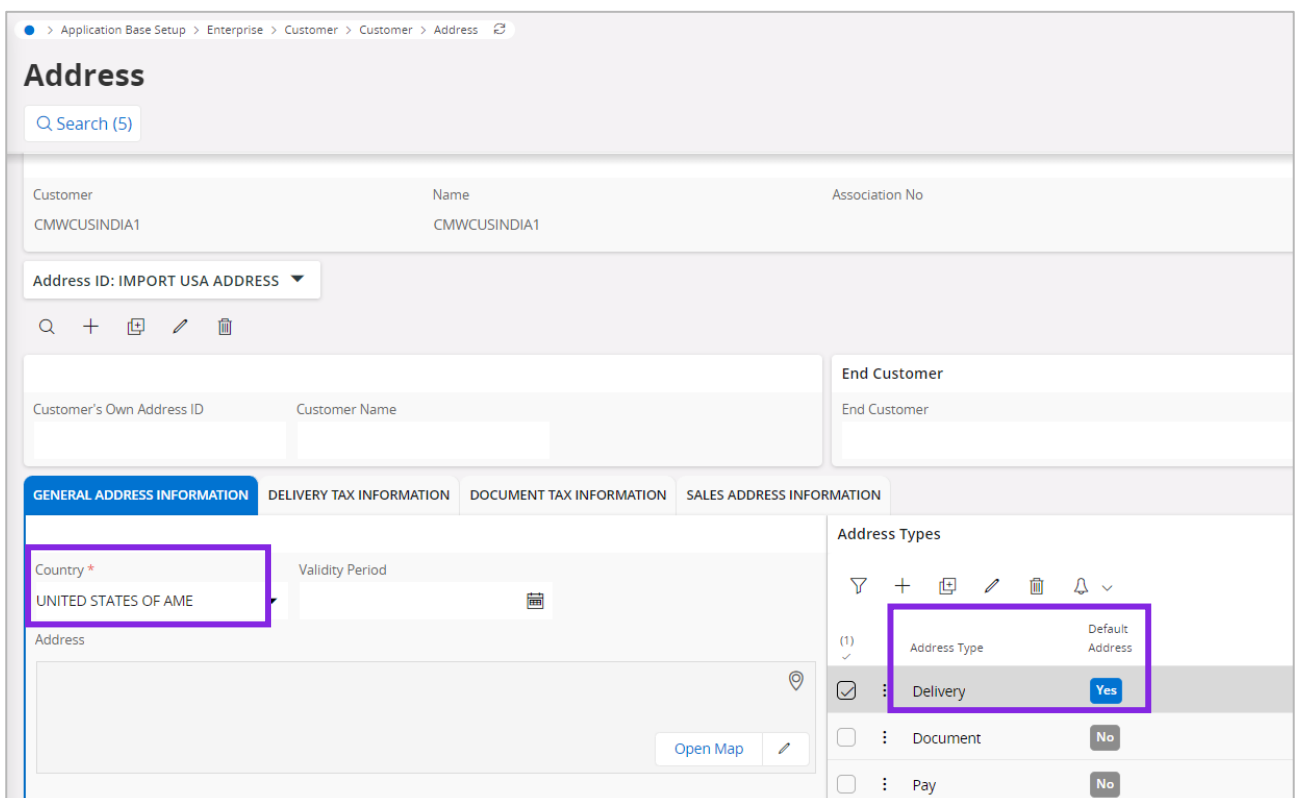
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1060.00	1000.00	60.00	0.00
Total Tax Amount			
60.00			

Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1	Tax Category 2
3	Tax	6	100	60.00	60.00	1.20	0.00	60.00		

## Export Transaction

- The user must set up Address specific or Customer Specific Tax Codes/Tax Structures aligning with the core Tax Fetching Logic in Company or Customer Basic data.

*Example: Assume an Export Transaction where the **Customer Delivery** address is in the USA and the Tax Code defined in the **Customer Delivery** address is 2.*



Customer: CMWCUSINDIA1, Name: CMWCUSINDIA1, Association No: [Empty]

Address ID: IMPORT USA ADDRESS

Country: UNITED STATES OF AME

Address Types:

Address Type	Default Address
Delivery	Yes
Document	No
Pay	No

Application Base Setup > Enterprise > Customer > Customer > Address

### Address

Search (5)

Customer's Own Address ID: [ ] Customer Name: [ ] End Customer: [ ] Address Identity: [ ]

GENERAL ADDRESS INFORMATION | **DELIVERY TAX INFORMATION** | DOCUMENT TAX INFORMATION | SALES ADDRESS INFORMATION

Company: CMWIND1 - Without Posting Proposal Indian Company

Supply Country: INDIA

Taxes

✓	Tax Code	Tax (%)	Validity Period	Tax Identity per Tax Code	Tax Code Selection
<input type="checkbox"/>	2 - Tax with reduction 1,...	12	1/1/2020 - 12/31/2049		

Tax Exempt Information

The state in the Company Delivery Address is DL(Delhi) and the country is India.

Application Base Setup > Enterprise > Company > Company > Address

### Address

Search (3)

Company: CMWIND2 Name: With Posting Proposal Indian Company Association No: [ ] Created By: CHWGLK

Address ID: COM DEL DL

Country: INDIA Validity Period: [ ]

Address: No 3 Sri Vihar - DL Delhi

Address Types

✓	Address Type	Default Address
<input type="checkbox"/>	Delivery	Yes
<input type="checkbox"/>	Document	No
<input type="checkbox"/>	Pay	No

- At Transaction Entry header levels, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the Customer and the company, to determine whether the transaction is Interstate or Intrastate. When the Customer delivery address is not in India, the Tax Fetching Logic will shift to Core Tax Fetching logic.

Financials > Customer Invoice > New Manual Customer Invoice

### New Manual Customer Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: F | Voucher No:

Customer: CMWCUSINDIA1 - CMWCUSINDIA1 | Series ID: CI | Invoice No: INV875 | Currency: INR | Invoice type: CUSTINV | Advance Invoice:

**More Information**

Invoice Date: 12/24/2024 | Delivery Date: 12/24/2024 | Pay. Term Base Date: 12/24/2024 | Payment Terms: 10 - 10 Days Net | Due Date: 1/3/2025 | Invoice Address: 2 | **Delivery Address: IMPORT USA ADDR...**

**Company Delivery Address: COM DEL DL** | Use Customer Invoice Address for Tax:

Reference Invoice No: | Deduction Group: | Deduction Amount: 0 | Payment Method: | Payment Address ID: | Payer: CMWCUSINDIA1 | Payment Reference:

National Bank Code: | Nature of Business: | Language Code: English | Branch: | Customer Branch: | Project ID: | Tax Invoice Series ID:

- Then, at the Transaction line-item level, defined core tax codes or Tax Calculation Structures will be fetched instead of Tax Calculation Structures fetched based on the HSN/SAC Code.

Manual Customer Invoice Tax Lines

Gross Amount	Net Amount	Tax Amount
1120.00	1000.00	120.00

Tax Line Details

Tax Code	Tax Type	Tax(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Tax Category 1	Tax Category 2
<b>2</b>	Tax	12	120.00	120.00	2.40		

OK Cancel

### Special Notes:

- Although in Indian HSN/SAC Code based tax Fetching Logic, IFS Cloud has supported to fetch Tax Structures based on different delivery and Invoice Addresses, In Core Tax Fetching Logic, address based fetching is only supported for certain fields visible in the core application only. Accordingly, when shifting to core tax fetching logic for Export and Import scenarios in Indian Localization Companies, the user must be aware that only taxes defined under address fields available in the core application, will be fetched as per the Core Tax Fetching Logic and taxes defined in addresses introduced in Indian Localization are not supported for Import and Export Transactions.

*Example: Supplier delivery address field is not available in **Manual Supplier invoice** header level in IFS Cloud core application and therefore, the taxes in default Supplier Delivery address is always fetched. Although this field is visible in Indian Solution and the user can change different addresses under the Supplier delivery address, the taxes in the default Supplier Delivery address is always fetched.*

- Although in Indian HSN/SAC Code based tax Fetching Logic, IFS Cloud has supported to fetch Tax Structures based on different Invoice Addresses using the **Use Customer/Company Invoice address for Tax** toggle, In Core Tax Fetching Logic, tax fetching is not supported based on different Invoice addresses. However, determination of whether a transaction is an Import/Export transaction or not can be determined by using the toggle.

*Example: In Manual Customer Invoice, address based tax fetching is supported for field delivery address only. If the **Use Customer Invoice address for Tax** toggle is enabled, the Indian Tax Fetching will be based on the Invoice address. However, if the Invoice address is outside India, although the IFS Cloud identifies the transaction as an Export transaction and no HSN/SAC Code-based fetching is observed, the core taxes fetched, are not derived from the invoice address and instead will be fetched from the address visible in the delivery address field.*

## 6.11 Tax Transactions

Once the core process to bring Tax Information to the **Tax Transactions** page is followed, i.e., **Update GL Vouchers** and **Fetch Tax Ledger Information** are performed, the relevant **HSN/SAC Code**, **To State**, and **From State** will be made visible on the **Tax Transactions** page.

**HSN Code** - The **HSN/SAC Code** that is selected in the invoice entry pages to determine the tax calculation structure, is fetched to the tax line in the **Tax Transactions** page so that the user can report the HSN/SAC Code relevant to the tax transaction.

**To State** – A new column named **To State** is added to the **Tax Transactions** page, to depict the state in the buyer's address.

Accordingly,

- **For Procurement Transactions - To State** would be identified from the delivery address of the company mentioned in the invoice and, if the **Use Company Invoice Address for Tax** toggle is enabled in the invoice, the **To State** will depict the state in the invoice address/document address of the company mentioned in the invoice.
- **For Sales Transactions - To State** would be identified from the delivery address of the customer mentioned in the invoice and, if the **Use Customer Invoice Address for Tax** toggle is enabled in the invoice, the **To State** will depict the state in the invoice address/document address of the customer mentioned in the invoice.

**From State** - A new column named **From State** is added to **Tax Transactions** page, in order to depict the state in the seller's delivery address.

Accordingly,

- **For Procurement Transactions - From State** would be identified from the delivery address of the supplier, mentioned in the invoice and, if the **Use Supplier Invoice Address for Tax** toggle is enabled in the invoice, the **From State** will depict the state in the invoice address/document address of the supplier mentioned in the invoice.

- For Sales Transactions - **From State** would be identified from the delivery address of the company, mentioned in the invoice.

Financials > Tax Ledger > Tax Transactions

Company: INDIA

Calculate Income Amount

Series ID	Voucher No	Trans Code	HSN/SAC Code	Tax Code	To State	From State	Tax Base Amount	Tax Amount	Voucher Date	Tax Category 1	Invoice No	Tax Trans ID	Tax Base Curr Amount	Identity
SI	2023000004	IP3	102039 - Battery	1	UP	DL	2000.00	500.00	1/12/2023	CGST - Central GST	INV 79879198	215674	2000.00	SW SIATLK WHT IN
II	2023000004	IP4	102039 - Battery	CGST TAX 001	DL	DL	-1000.00	-125.00	1/12/2023	CGST - Central GST	9700031	215672	-1000.00	SW SIATLK WHT CL
II	2023000004	IP4	102039 - Battery	SGST TAX 001	DL	DL	-1000.00	-100.00	1/12/2023	SGST - State GST	9700031	215673	-1000.00	SW SIATLK WHT CL

Note: The **To State** and **From State**, are new columns introduced in IFS Cloud Solution as an enhancement, so that the user will now be able to separately identify the two states, that were considered in tax transactions, to arrive at the fetched tax structure, at **Tax Transactions** page.

Furthermore, an upgrade handling is facilitated for the customers shifting their application from App10 GET to IFS Cloud 23R1 to fetch information on their existing tax transactions to these two new columns. Accordingly, the user can view the fetched information in the new columns **To State** and **From State** for transactions backdating up to eight years.

## 6.12 HSN/SAC code mandatory in GST Invoices

HSN/SAC Code plays a key role in Business Transactions in India.

It is mandatory for taxpayers to report the HSN/SAC Code in their Tax Reports (GSTR-I) and Sales Invoices based on their Aggregate Annual Turnover (AATO) in the preceding Financial Year.

With the existing functionality, HSN/SAC code is fetching to the Invoice Lines automatically from the Basic Data. But in any case, if the HSN/SAC Code is not connected to the Invoice Lines or Outgoing Tax Document Lines, but the Tax Structure has existed, an error message appears until the user connects the relevant HSN/SAC code in the invoice lines / outgoing tax document line.

- Error Message for Different Invoices: **“HSN/SAC Code is missing in invoice YYY, line XXX”**
- Error Message for Outgoing Tax Document (This will appear when Shipment is Delivered): **“HSN/SAC Code is missing in Outgoing Tax Document YYY, line XXX”**

Use existing LCC Parameter - **HSN/SAC Codes and Intra/Inter State Tax Rates Fetching**

Validate Tax Lines of the Invoice / Outgoing Tax Document - **Tax Category I** for GST Codes

An error message appears if invoice line or Outgoing Tax Document Line does not contain HSN/SAC Code

**Customer Invoice** CHBELK CUS - CHBELK CUS - 210554 - CUSTORDDEB - D550604 1 of 1 Preliminary

Share Cancel Invoice Posting Installation Plan and Discounts Notes

Customer No CHBELK CUS	Customer Address Name CHBELK CUS	Series ID PR	Invoice No 210554	Official Document No	Company CHBELK INDIA - CHBELK I...	Site S IN
Invoice Created 2/12/2024	Order Created 2/12/2024					


**Amounts**

Currency INR	Gross Amt 1965.000000	Net Amt 1500.000000	Tax Amt 465.000000	Currency Rate 1	Tax Currency Rate 1
-----------------	--------------------------	------------------------	-----------------------	--------------------	------------------------

**LINES** GENERAL HISTORY

HSN/SAC Code	Tax Calculation Structure	Pos	Invoice Item	Description	Invoiced Qty	Sales UoM	Price QTY
	TS1 INTER - TS1 INTER	1	MACHINE	MACHINE	1	PCS	

Attachments

 HSN/SAC code is missing in invoice PR 210554, line 1

The error message is appearing in different invoice flows, Shipment (with related to Outgoing Tax Documents) and Pages as follows.

Invoice Type	Command		
	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command
Customer Order Invoice	Error message raised when click the command	Error message visible in Background Jobs	Error message raised when click the command
Collective Customer Order Invoice	Error message raised when click the command	Error message visible in Background Jobs	Error message raised when click the command
New Manual Customer Invoice	Error message raised when click Finish button		

Invoice Type	Command			
	Print / Release	Send	Send E-Invoice	Resend E-Invoice
Instant Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
Customer Order Invoice	Error message raised when clicking the command	Error message visible in Background Jobs	Error message raised when clicking the command	Error message raised when clicking the command
Collective Customer Order Invoice	Error message raised when	Error message visible in Background Jobs	Error message raised when	Error message raised when

	clicking the command		clicking the command	clicking the command
Project Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
New Manual Customer Invoice	Error message raised when clicking Finish button			
New Manual Supplier Invoice	Error message raised when clicking Finish button			
Shipment (Related Outgoing Tax Document)	Error message raised when clicking Deliver command in Shipment			

<b>Page Name</b>	<b>Print Invoice Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
Customer Order Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
<b>Page Name</b>	<b>Project Invoices Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Project Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
<b>Page Name</b>	<b>Batch Print Customer Invoices Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
Customer Order Invoice	Error message visible in Background Jobs	Error message visible in Background Jobs	Error message raised when clicking the command
<b>Page Name</b>	<b>Print Customer Invoices Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Customer Order Invoice	Error message visible in Background Jobs	Error message visible in Background Jobs	Error message raised when clicking the command

<b>Page Name</b>	<b>Print Invoice Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command

Customer Order Invoice	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command
<b>Page Name</b>	<b><i>Batch Print Customer Invoices</i></b> Page		
<b>Command</b>	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command
Customer Order Invoice	Error message visible in Background Jobs	Error message visible in Background Jobs	Error message raised when click the command
<b>Page Name</b>	<b><i>Print Customer Invoices</i></b> Page		
<b>Command</b>	Print	Send	Send E-Invoice
Customer Order Invoice	Error message visible in Background Jobs	Error message visible in Background Jobs	Error message raised when click the command

### 6.13 Delimitations

- HSN/SAC codes are not available on the overview and analysis pages. (Except **Supplier Invoice Analysis** and **Customer Invoice Analysis**)
- Self-billing invoices are not supported for HSN/SAC code-based fetching.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 7 Address Specific Tax Registration Number

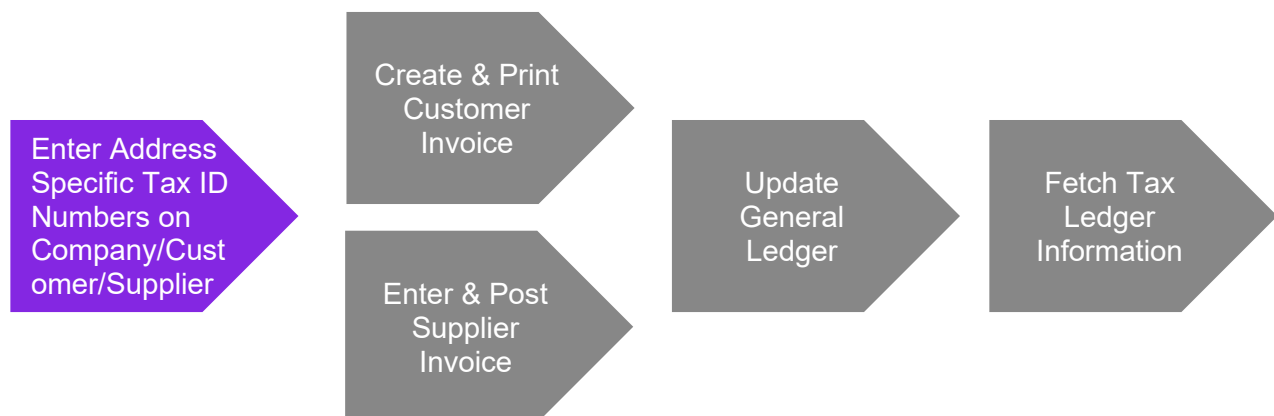
This is a country-specific functionality introduced for India in IFS Cloud 23R1. This functionality is shared with Brazil and France and is introduced to cater to the requirements in India previously handled by the two country-specific functionalities in “Multiple Tax Registration” and “Additional Tax Numbers in Customer/Supplier Pages”.

### 7.1 Overview Legal Requirement

According to the Indian Tax Legislation, companies must apply mainly two types of Tax Identification Numbers to their transactions.

- PAN (Permanent Account Number) – One unique number given to each taxpayer.
- GSTIN (Goods and Services Tax Identification Number)
  - GST registration is state-wise, each company must have separate tax registrations per each state in which it has a place of business.
  - Separate invoice numbering should be used per each tax registration.
  - Separate tax reporting applies per each tax registration, both for sales as well as for procurement.

### 7.2 Process Overview



### 7.3 Solution Overview

#### 7.3.1 MULTIPLE TAX REGISTRATION IN COMPANYY

Tax Identity Number in IFS core is used to handle *Permanent Account Number (PAN)* for the company. This PAN is fetched to the Tax Ledger through the Company basic data.

Defining *Multiple Goods and Services Tax Identification Numbers (GSTIN)* based on the different addresses of the Company supported under the *Address Specific Tax ID Numbers* section.

GSTIN relevant to the *Company Delivery Address* is fetched to the Tax Ledger once tax transactions are fetched from the general ledger.

7.3.2 ADDITIONAL TAX ID NUMBERS REGISTRATION IN CUSTOMER/SUPPLIER  
*Permanent Account Number (PAN)* and *Goods and Services Tax Identification Numbers (GSTIN)* for the Customer and Supplier are supported under the *Address Specific Tax ID Numbers* section in basic data.

These different Tax ID numbers are retrieved to the Tax Ledger from different Invoice Types once the user fetches the tax transactions.

## 7.4 Prerequisites

The company must be set up to use Indian localization, see the [Company Set-Up](#) chapter, and the “*Address Specific Tax Registration Numbers*” and “*Indian Specific Additional Tax ID Numbers*” parameters are mandatory and enabled as default.

**Localization Control Center** CHBELK INDIA PP - CHBELK INDIA PP 4 of 5

Company	Name	Association No	Created By
CHBELK INDIA PP	CHBELK INDIA PP		CHBELK
Localization	India		

Functionality	Description	Mandato...	Enabled
<input type="checkbox"/> : Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting pu	Yes	Yes
<input type="checkbox"/> : E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	Yes
<input type="checkbox"/> : Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> : E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	Yes
<input type="checkbox"/> : HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or service:	Yes	Yes
<input type="checkbox"/> : Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the pr	No	Yes
<input type="checkbox"/> : Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> : Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax curren	No	Yes

## 7.5 Set up Basic Data

Ensure the Tax ID Types “PAN” and “GST” are defined for Country Code “IN” in the **Application Base Setup/Enterprise/Tax/Tax ID Types** page (standard functionality)

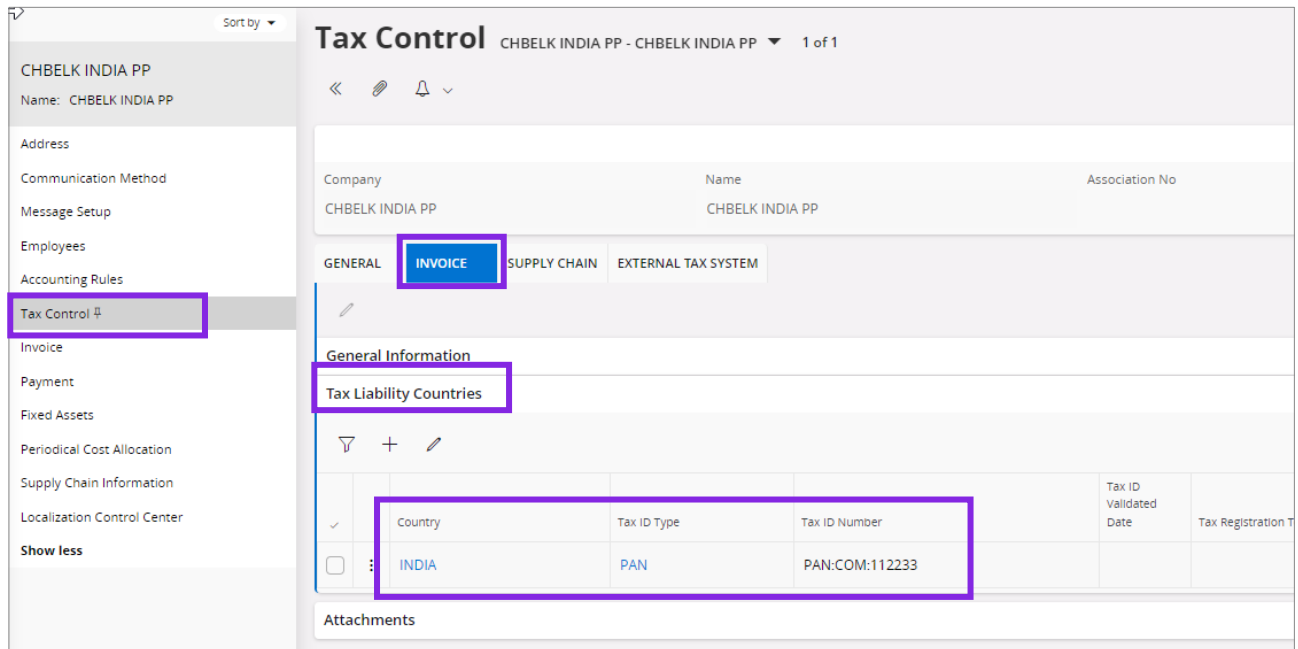
**Tax ID Types**

Tax ID Type Country Code: IN Report Code More Favorites Apply Clear

✓	Tax ID Type	Country Code	Report Code	Description	Layout Format	Validate Tax ID Number
<input type="checkbox"/>	PAN	IN	1			No
<input type="checkbox"/>	GST	IN	1			No

### 7.5.1 ENTER BASIC DATA IN COMPANY PAGE

Enter Company *Permanent Account Number (PAN)* under **Application Base Setup/ Enterprise/ Company/ Tax Control/ Invoice/ Tax Liability Countries.**



**Tax Control** CHBELK INDIA PP - CHBELK INDIA PP 1 of 1

Company: CHBELK INDIA PP, Name: CHBELK INDIA PP, Association No: [blank]

Tabs: GENERAL, **INVOICE**, SUPPLY CHAIN, EXTERNAL TAX SYSTEM

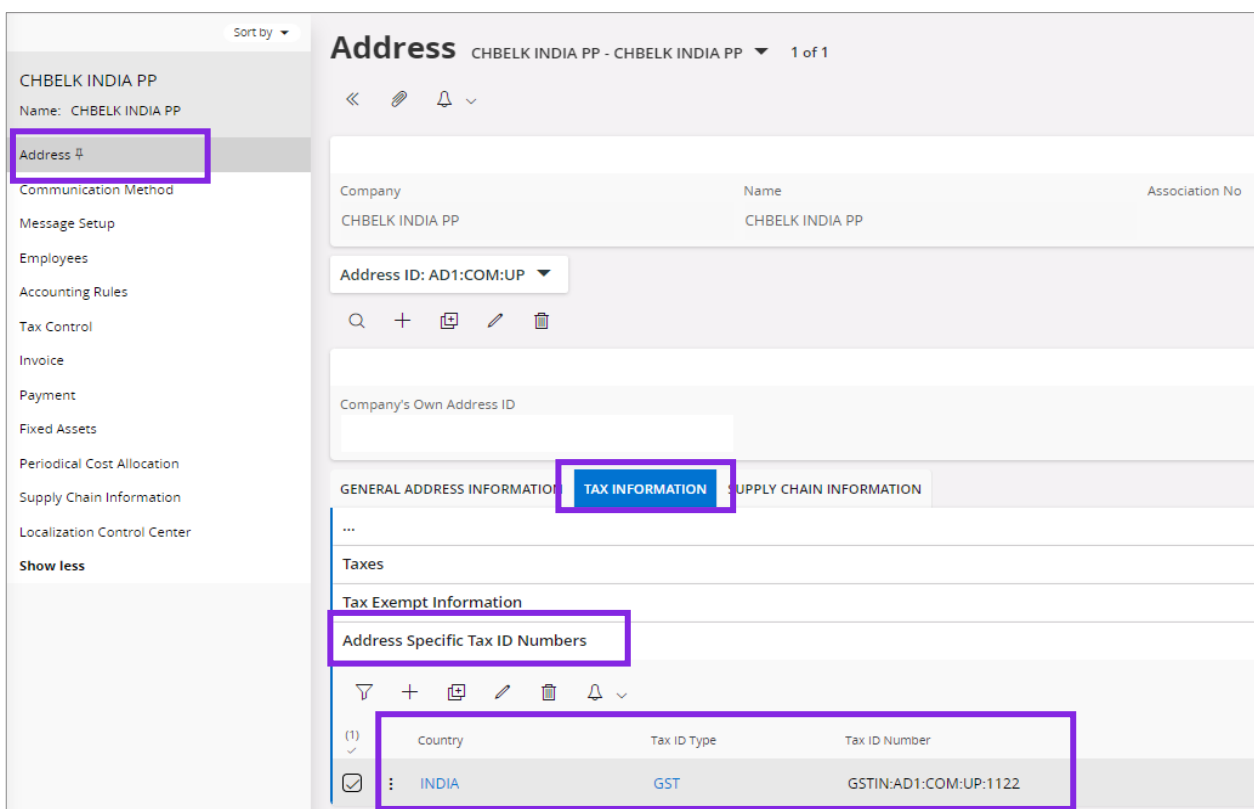
General Information

Tax Liability Countries

Country	Tax ID Type	Tax ID Number	Tax ID Validated Date	Tax Registration T
INDIA	PAN	PAN:COM:112233		

Attachments

Enter address-specific *Goods and Services Tax ID numbers (GSTIN)* for your company in the **Application Base Setup/ Enterprise/ Company/ Address Tab/ Tax Information/ Address Specific Tax ID Numbers Section.**



**Address** CHBELK INDIA PP - CHBELK INDIA PP 1 of 1

Company: CHBELK INDIA PP, Name: CHBELK INDIA PP, Association No: [blank]

Address ID: AD1:COM:UP

Company's Own Address ID: [blank]

Tabs: GENERAL ADDRESS INFORMATION, **TAX INFORMATION**, SUPPLY CHAIN INFORMATION

Taxes

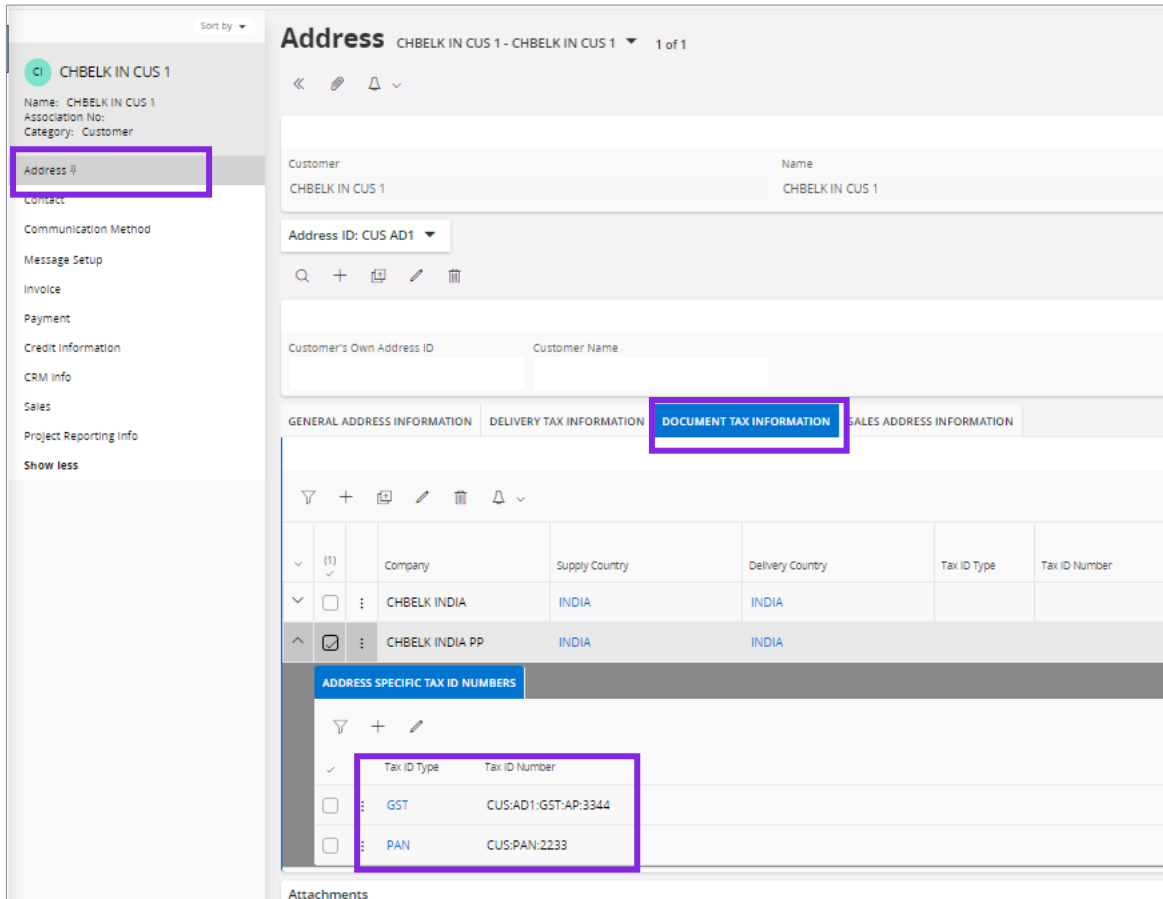
Tax Exempt Information

Address Specific Tax ID Numbers

Country	Tax ID Type	Tax ID Number
INDIA	GST	GSTIN:AD1:COM:UP:1122

### 7.5.2 ENTER BASIC DATA IN CUSTOMER / SUPPLIER PAGES

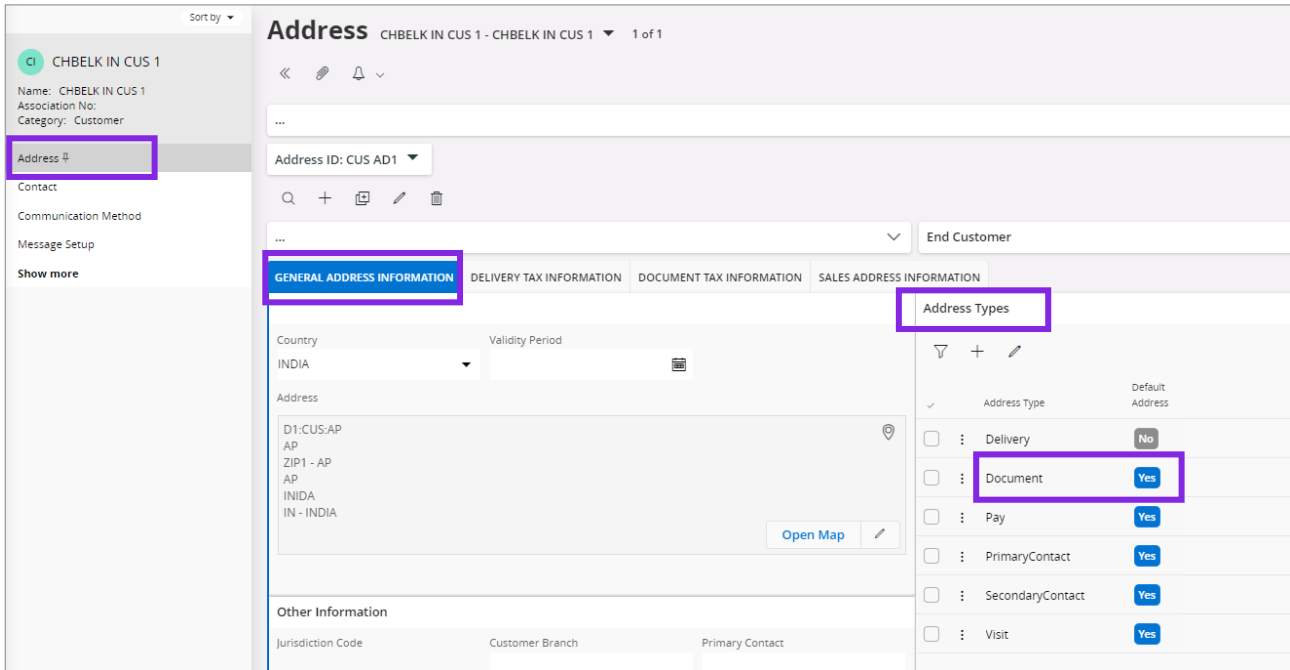
Enter the *Permanent Tax ID Number (PAN)* and address specific *Goods and Services Tax ID numbers (GSTIN)* for Customers and Suppliers under **Financials/ Customer Invoice or Supplier Invoice/ Customer or Supplier/ Address Tab, in the nested list below under Document Tax Information.**



The screenshot displays the 'Address' page for 'CHBELK IN CUS 1'. The left sidebar contains a navigation menu with 'Address ID' highlighted. The main content area shows the address details for 'CHBELK IN CUS 1' with 'Address ID: CUS AD1'. Below this, there are tabs for 'GENERAL ADDRESS INFORMATION', 'DELIVERY TAX INFORMATION', 'DOCUMENT TAX INFORMATION' (highlighted), and 'SALES ADDRESS INFORMATION'. Under the 'DOCUMENT TAX INFORMATION' tab, there is a table with columns for 'Company', 'Supply Country', 'Delivery Country', 'Tax ID Type', and 'Tax ID Number'. The table contains two rows: 'CHBELK INDIA' and 'CHBELK INDIA PP', both with 'INDIA' as the country. Below this table is a section titled 'ADDRESS SPECIFIC TAX ID NUMBERS' which contains a table with columns for 'Tax ID Type' and 'Tax ID Number'. This table has two rows: 'GST' with ID 'CUS:AD1:GST:AP:3344' and 'PAN' with ID 'CUS:PAN:2233'. Both the 'DOCUMENT TAX INFORMATION' tab and the 'ADDRESS SPECIFIC TAX ID NUMBERS' table are highlighted with a purple border.

#### Special Notes:

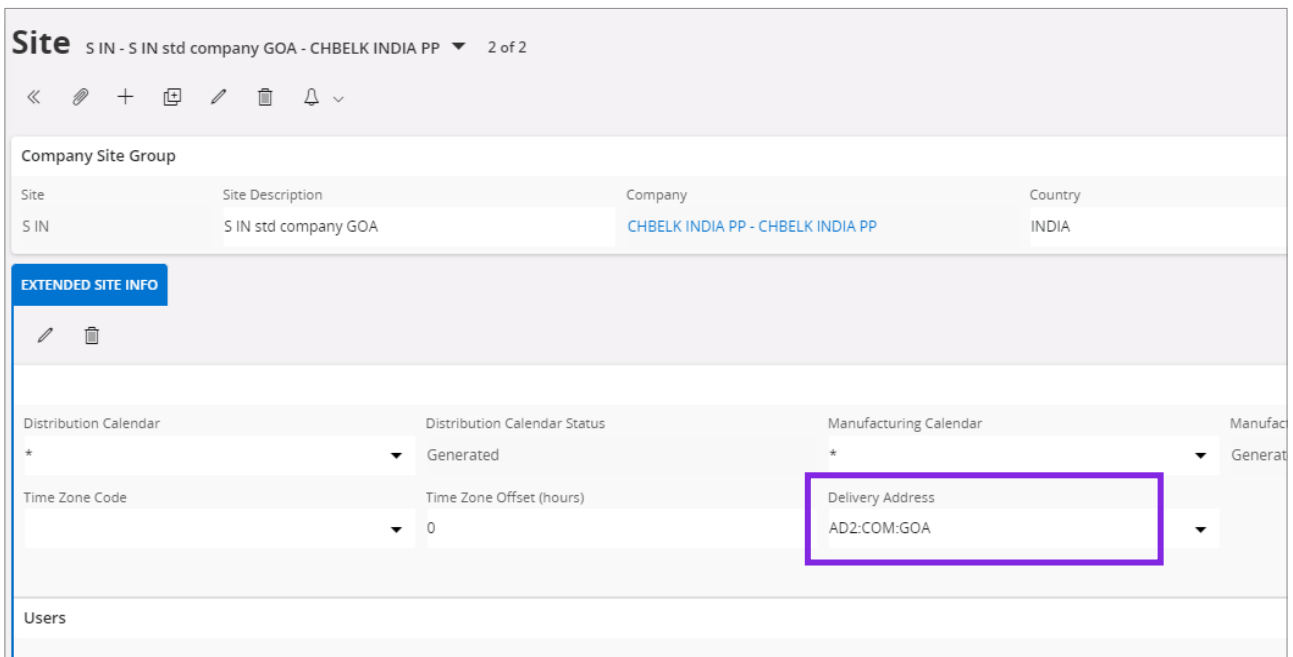
- Tax ID numbers cannot be entered on the upper level if address-specific tax ID numbers are already entered in the nested list. This is to ensure no duplicate records are entered.
- PAN should be defined under each Address of the Customer/Supplier.
- It is a must to have **Address Type for Document** for each address of the Customer or Supplier to include Tax ID numbers under the *Document Tax Information* for that particular address in Basic Data.



Address Type	Default Address
<input type="checkbox"/> Delivery	No
<input checked="" type="checkbox"/> Document	Yes
<input type="checkbox"/> Pay	Yes
<input type="checkbox"/> PrimaryContact	Yes
<input type="checkbox"/> SecondaryContact	Yes
<input type="checkbox"/> Visit	Yes

### 7.5.3 ENTER BASIC DATA IN THE SITE

In the *Site/ Extended Site Info* in **General** page, connect the *Delivery Address* considering the 'State' of the Company Site.



Site	Site Description	Company	Country
S IN	S IN std company GOA	CHBELK INDIA PP - CHBELK INDIA PP	INDIA

Distribution Calendar	Distribution Calendar Status	Manufacturing Calendar	Manufacturing Calendar Status
*	Generated	*	Generated

Time Zone Code: [ ] Time Zone Offset (hours): 0

Delivery Address: AD2:COM:GOA

### 7.5.4 ADDITIONAL BASIC DATA SETUP

- In the **Branches** page, define a separate branch per State.
- In the **Invoice Series** page, define separate invoice series per State.
- In the **Invoice Type** page, context menu *Combinations per Invoice Type*, connect invoice series to invoice type. Use a branch to have different number series for each State.
- On the **Document Footer/Define Footer** tab, define a new footer. Make sure to use the system-defined field "TAX\_NO".

- On the **Document Footer/Connect Report** tab, connect the document footer to reports:

Report ID	Report Title	Module
CUSTOMER_ORDER_ADV_IVC_REP	Advance Invoice	ORDER
CUSTOMER_ORDER_COLL_IVC_REP	Collective Invoice	ORDER
CUSTOMER_ORDER_IVC_REP	Invoice	ORDER
INSTANT_INVOICE_REP	Instant Invoice	INVOIC
PROJECT_INVOICE_REP	Invoice Printout	PRJREP

## 7.6 Multiple Tax ID Numbers in Customer Invoice Flow

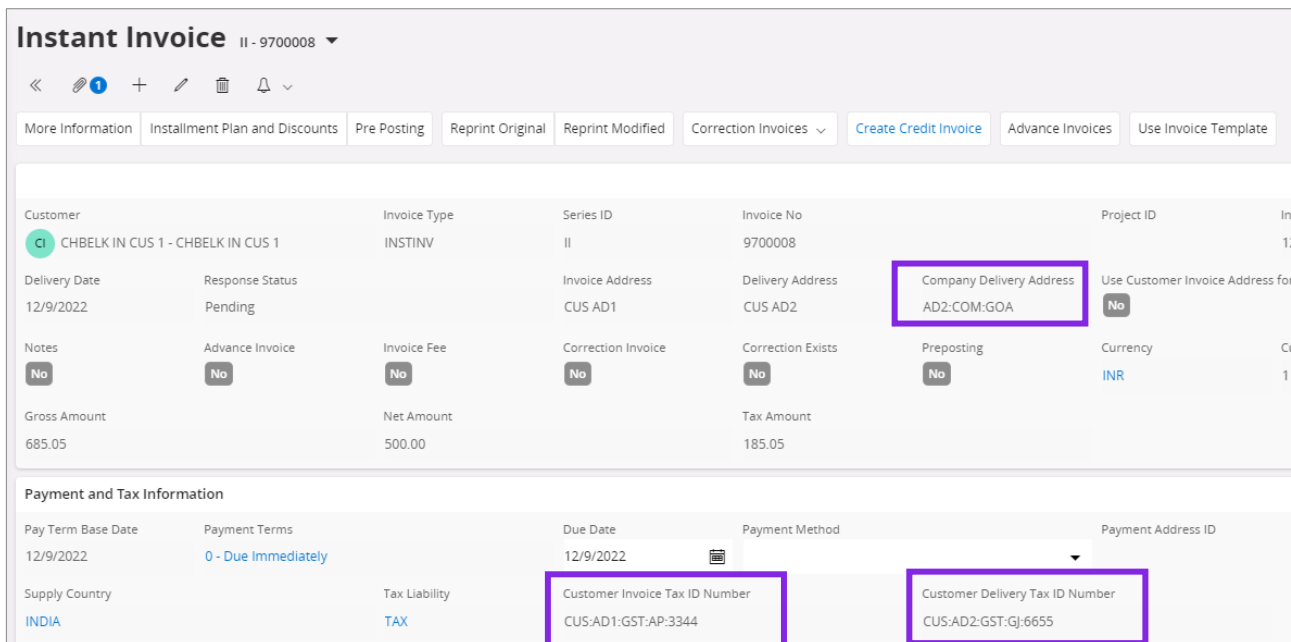
### 7.6.1 INSTANT INVOICE

Follow the IFS Cloud core processes to create Instant Invoice.

Two new fields are introduced under 'Payment and Tax Information' section to display GSTIN numbers related to *Invoice Address* and *Delivery Address* specified in the Invoice.

- Customer Invoice Tax ID Number**
- Customer Delivery Tax ID Number**

When Invoice is in Preliminary State, Users can change the Address IDs according to the business requirement and GSTIN numbers of these new fields are changing accordingly.



**Instant Invoice** II - 9700008

Customer: CHBELK IN CUS 1 - CHBELK IN CUS 1 | Invoice Type: INSTINV | Series ID: II | Invoice No: 9700008 | Project ID: 1

Delivery Date: 12/9/2022 | Response Status: Pending | Invoice Address: CUS AD1 | Delivery Address: CUS AD2 | **Company Delivery Address: AD2:COM:GOA** | Use Customer Invoice Address for: No

Notes: No | Advance Invoice: No | Invoice Fee: No | Correction Invoice: No | Correction Exists: No | Preposting: No | Currency: INR

Gross Amount: 685.05 | Net Amount: 500.00 | Tax Amount: 185.05

**Payment and Tax Information**

Pay Term Base Date: 12/9/2022 | Payment Terms: 0 - Due Immediately | Due Date: 12/9/2022 | Payment Method: | Payment Address ID: | Supply Country: INDIA | Tax Liability: TAX | **Customer Invoice Tax ID Number: CUS:AD1:GST:AP:3344** | **Customer Delivery Tax ID Number: CUS:AD2:GST:GJ:6655**

GSTIN related to the Company is fetched from the *Company Delivery Address* specified in the Invoice.

**Note:** Same process is applying when creating Credit Instant Invoice and Correction Instant Invoice.

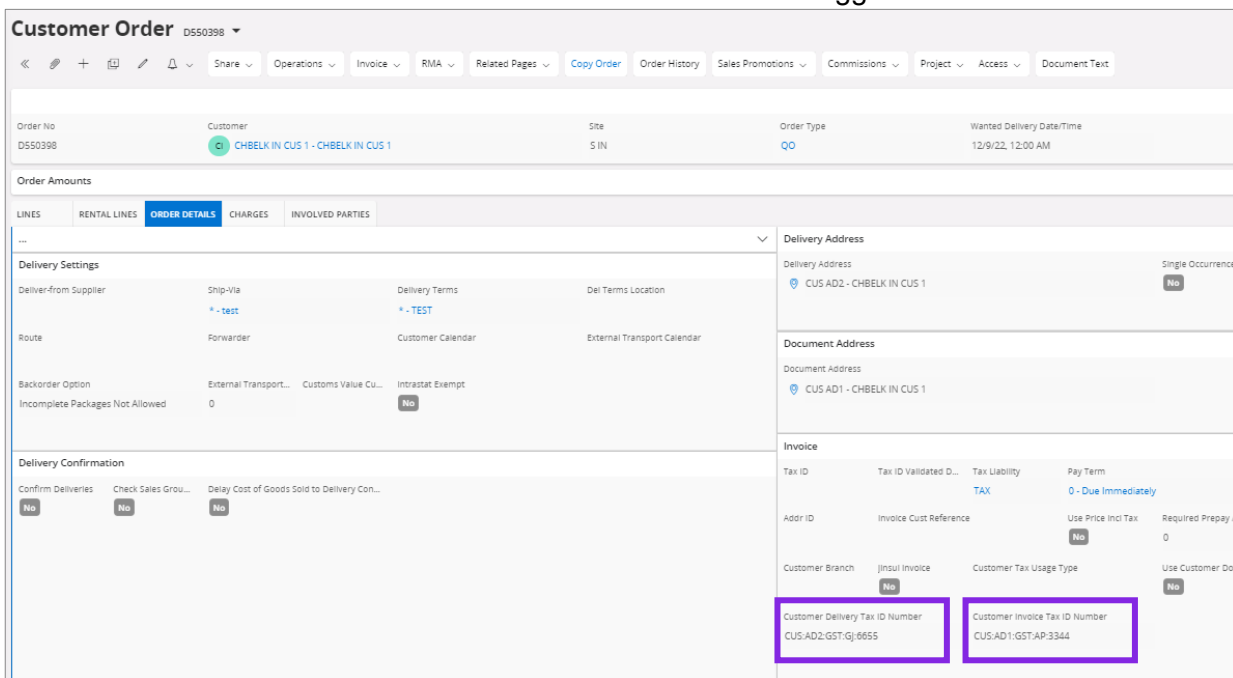
## 7.6.2 CUSTOMER ORDER

Follow the IFS Cloud core processes to create a Customer Order.

Two new fields are introduced under the 'Invoice' section in the **Order Details** tab to display GSTIN numbers related to the *Document Address* and *Delivery Address* specified in the *Customer Order*.

- **Customer Invoice Tax ID Number**
- **Customer Delivery Tax ID Number**

As long as the Customer Order is not yet invoiced, users can change the Address IDs according to the business requirement and GSTIN numbers of these new fields are changing accordingly. Customer Delivery Tax ID Number is editable when the order has a *"Single Occurrence"* delivery address and the *"Use Document Address for Tax Calculation"* toggle is disabled.



**Customer Order** D550398

Order No: D550398 | Customer: CHBELK IN CUS 1 - CHBELK IN CUS 1 | Site: S IN | Order Type: QO | Wanted Delivery Date/Time: 12/9/22, 12:00 AM

**Order Amounts**

**Delivery Settings**

Deliver-from Supplier	Ship-Via: *- test	Delivery Terms: *- TEST	Del Terms Location
Route	Forwarder	Customer Calendar	External Transport Calendar
Backorder Option	External Transport...	Customs Value Cu...	Intrastat Exempt: No
Incomplete Packages Not Allowed	0		

**Delivery Confirmation**

Confirm Deliveries	Check Sales Gro...	Delay Cost of Goods Sold to Delivery Con...
No	No	No

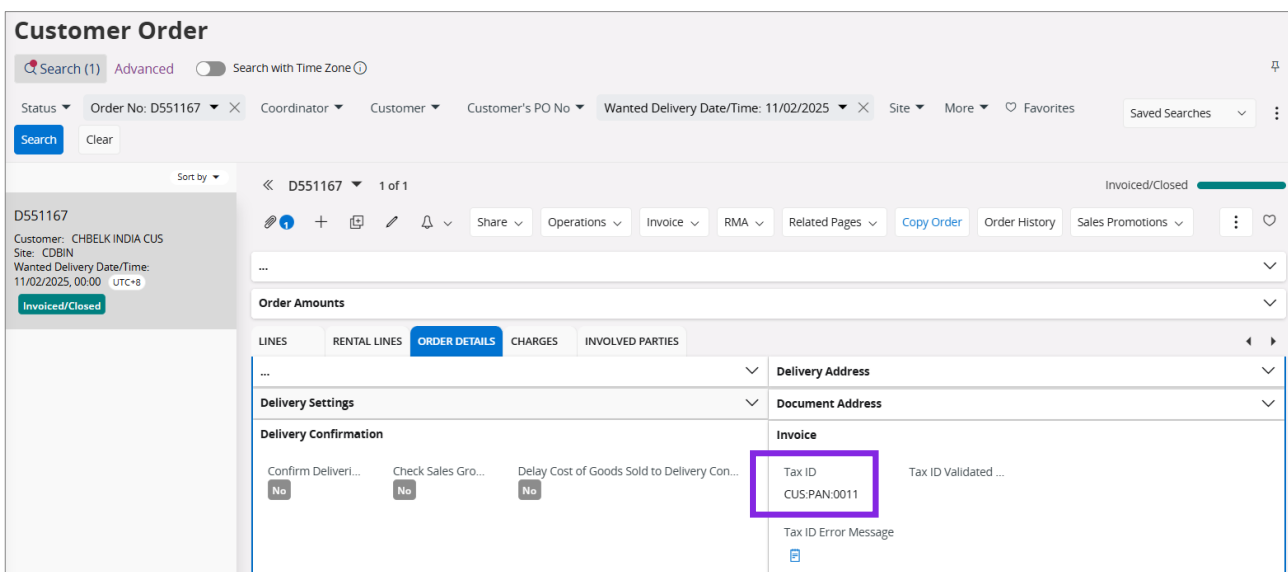
**Delivery Address** (Single Occurrence: No)  
CUS AD2 - CHBELK IN CUS 1

**Document Address**  
CUS AD1 - CHBELK IN CUS 1

**Invoice**

Tax ID	Tax ID Validated D...	Tax Liability: TAX	Pay Term: 0 - Due Immediately
Addr ID	Invoice Cust Reference	Use Price Incl Tax: No	Required Prepay A: 0
Customer Branch	Inspur Invoice: No	Customer Tax Usage Type	Use Customer Doc: No
Customer Delivery Tax ID Number: CUS:AD2:GST:GJ:6655	Customer Invoice Tax ID Number: CUS:AD1:GST:AP:3344		

Customer PAN is displayed in the Tax ID field in the Customer Order. This is editable when the order has a *"Single Occurrence"* delivery address.



**Customer Order**

Search (1) | Advanced | Search with Time Zone

Status: Order No: D551167 | Coordinator | Customer | Customer's PO No | Wanted Delivery Date/Time: 11/02/2025 | Site | More | Favorites | Saved Searches

Sort by: D551167 | 1 of 1 | Invoiced/Closed

**Customer Order** D551167  
Customer: CHBELK INDIA CUS  
Site: CDBIN  
Wanted Delivery Date/Time: 11/02/2025, 00:00 UTC+8  
Invoiced/Closed

**Order Amounts**

**Delivery Settings**

Confirm Deliveries	Check Sales Gro...	Delay Cost of Goods Sold to Delivery Con...
No	No	No

**Invoice**

Tax ID: CUS: PAN:0011	Tax ID Validated ...
Tax ID Error Message	

**Note:** All the customer order lines connected to a single customer order are supposed to have a common GSTIN defined in the customer order header. Therefore, customer order lines that are supposed to have different GSTIN should not be connected to the same customer order.

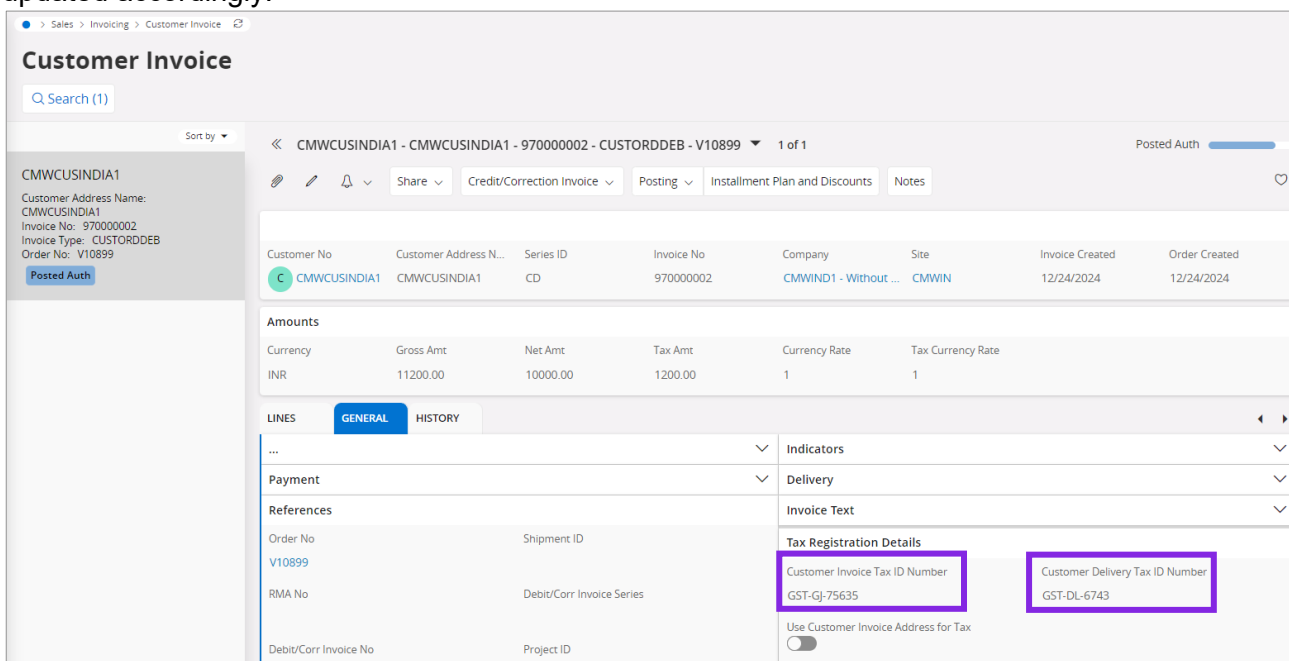
### 7.6.3 CUSTOMER ORDER INVOICE

Follow the IFS Cloud core processes to create a Customer Order Invoice. If creating Collective Customer Order Invoices, make sure to connect Customer Orders that have the same GSTIN.

Two new fields are introduced under the 'Tax Registration Details' section under the **General** tab to display GSTIN numbers related to the *Invoice Address* and *Delivery Address* specified in the *Customer Order Invoice*.

- **Customer Invoice Tax ID Number**
- **Customer Delivery Tax ID Number**

When the Customer Order Invoice is in Preliminary State, Users can change the Invoice Address ID of the Invoice according to the business requirement and the *Customer Invoice Tax ID Number* is updated accordingly.



**Customer Invoice**

Search (1)

Sort by

CMWCUSINDIA1 - CMWCUSINDIA1 - 970000002 - CUSTORDDEB - V10899 1 of 1

Posted Auth

Customer No: CMWCUSINDIA1, Customer Address N...: CMWCUSINDIA1, Series ID: CD, Invoice No: 970000002, Company: CMWIND1 - Without ..., Site: CMWIN, Invoice Created: 12/24/2024, Order Created: 12/24/2024

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
INR	11200.00	10000.00	1200.00	1	1

**LINES** GENERAL HISTORY

Payment

References

Order No: V10899, Shipment ID, RMA No, Debit/Corr Invoice Series, Debit/Corr Invoice No, Project ID

**Tax Registration Details**

Customer Invoice Tax ID Number: GST-GJ-75635

Customer Delivery Tax ID Number: GST-DL-6743

Use Customer Invoice Address for Tax:

GSTIN related to the Company is fetched from the *Company Delivery Address* linked to the relevant *Site*.

**Note:** The same process applies when creating the following Customer Order Invoices as well.

- Credit Customer Order Invoice
- Correction Customer Order Invoice
- Advance Customer Order Invoice
- Credit Advance Customer Order Invoice
- Collective Customer Order Invoice
- Collective Customer Order Invoice - Credit
- Collective Customer Order Invoice – Correction

### 7.6.4 PROJECT INVOICE

Follow the IFS Cloud core processes to create a Project Invoice.

Two new fields are introduced under the 'Customer Information' section in the **General** tab to display GSTIN numbers related to the *Invoice Address* and *Delivery Address* specified in the *Customer Order Invoice*.

- **Customer Invoice Tax ID Number**
- **Customer Delivery Tax ID Number**

When the Project Invoice is in Preliminary State, Users can change the Address IDs of the Invoice according to the business requirement and GSTIN numbers of these new fields are changing accordingly.

**Project Invoice** PJ - 20010015 ▾

⏪
🔔
🔔
Notes
Printout
Credit Entire Invoice
Create Correction Invoice
Customer Installment Plan

Customer	Customer Name	Project	Invoice Series
CHBELK IN CUS 1	CHBELK IN CUS 1		PJ
Invoice No	Invoice Period Start	Invoice Period End	Notes
20010015	12/1/2022	12/8/2022	No

**Amounts**

LINES
GENERAL
PRE POSTING
ACCOUNTING

**Invoice Information**


**Customer Information**

Invoice Address	Delivery Address	Payment Address	Media Code
CUS AD2	CUS AD1		E-INVOICE
Pay Term Base Date	Due Date	Payment Terms	Branch
12/21/2022	12/21/2022	0 - Due Immediately	
Payment Method	Supply Country	Customer Branch	Tax ID Number
	INDIA		
Customer Invoice Tax ID Number	Customer Delivery Tax ID Number		
CUS:AD2:GST:Gj:6655	CUS:AD1:GST:AP:3344		

**Note:** The same process is applying when creating Credit and Correction Project Invoices.

## 7.7 Print Multiple Tax ID Numbers on the Invoice PDF

When the customer invoice is printed, these multiple tax ID Numbers are printed on the invoice header and the Company Delivery GSTIN related to the Invoice is displayed in the footer.



**INVOICE**

Invoice Date  
1/11/23

Order Date

**ORIGINAL**

Invoice Number  
II9700037

Order Number

Our Reference

Delivery Address

CHBELK IN CUS1  
AD2:CUS:GJ  
GJ  
ZIP2-GJ  
GJ  
INDIA  
IN-INDIA

Customer Tax Number  
CUS: PAN:2233

Customer Number  
CHBELK IN CUS

Invoice Address

CHBELK IN CUS1  
D1:CUS:AP  
AP  
ZIP1-AP  
AP  
INDIA  
IN-INDIA

Delivery Tax ID Number  
CUS:AD2:GST:GJ:6655

Invoice Tax ID Number  
CUS:AD1:GST:AP:3344

Pay Term Base Date 1/11/23	Delivery Date 1/11/23	Due Date 1/11/23
Ref Invoice No	Ref Net Amount	Ref Tax Amount

Terms of Payment <b>Due Immediately</b>	Payment Method	Bank Account
Payment Reference		

Pos	Object	Description	Tax Code	Multiple Tax	Sales UoM	Quantity	Price	Amount	
	LG AC	LG Air Conditioners		Yes		1.00	500.00	500.00	
								Total Exclusive Tax	500.00
								Total Tax	60.00

TaxCode	Description	Tax (%)	Total Net Amount	Tax Base Amount	Tax Amount
6	Tax 5%	5.00	500.00	500.00	25.00
8	TAX 7%	7.00	500.00	500.00	35.00
<b>Total</b>					<b>INR 560.00</b>

Address:  
City Office,India

SERIAL NUMBER:  
CC9900#2023

Tax No:  
GSTIN:AD1:COM:UP:1122

Page 1

## 7.8 Multiple Tax ID Numbers in Supplier Invoice Flow

### 7.8.1 ENTER AND POST SUPPLIER INVOICES WITHOUT PO

Follow the IFS Cloud core processes to create a Manual Supplier Invoice.

There are four Addresses visible in the 'New Manual Supplier Invoice' Assistant and 'Manual Supplier Invoice' page under the 'More Information' section.

- Company Invoice Address
- Delivery Address (Company)
- Supplier Invoice Address
- Supplier Delivery Address

**New Manual Supplier Invoice**

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV8575 | Currency: INR | Currency Rate: 1 | Invoice Date: 12/24/2024 | Arrival Date: 12/24/2024 | Pay Term Base Date: 12/24/2024

Payment Terms: 0 | Due Date: 12/24/2024 | Plan Pay Date: 12/24/2024 | Payment Reference: | Automatic Payment Authorization: No | Authorizer ID: \*

Advance Invoice:  | Gross Amount: | Net Amount: | Tax Amount: |

**More Information**

Reference Series: | Reference Invoice No: | Invoice Recipient: CHWGLK - CHWGLK | Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL | Use Company Invoice Address for Tax:  | Use Supplier Invoice Address for Tax:  | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code: |

National Bank Code: | Nature of Business: | Creator Reference: | Tax Currency Rate: 1 | Parallel Currency Rate: 0.02

As per the business requirement, these addresses can change in the Supplier Invoice when it is in Preliminary State and are fetch corresponding Tax ID numbers in Tax Ledger once fetch tax ledger information.

### 7.8.2 ENTER AND POST SUPPLIER INVOICES WITH PO

Follow the IFS Cloud core process to enter the Purchase Order. Note that the Company Delivery Address is fetched from the *Site* Basic Data. Other Addresses can change as per the business requirement when the Purchase Order is in Planned State.

**Purchase Order**

Q Search | Advanced | Search with Time Zone

Status: | Order No: 91000770 | Coordinator: | Site: CMWIN - CMWIN | Order Date: | More: | Favorites: | Search | Saved Searches

91000770 - CMWSUPIND2 - CMWIN | Planned

Order No: 91000770 | Supplier: CMWSUPIND2 - CMWSUPIND2 | Site: CMWIN - CMWIN | Order Code: 1 - NORMAL | Receipt Date: 12/24/24, 12:00 AM | GST

Not Shared

Order Amounts

PART LINES | NO PART LINES | RENTAL PART LINES | ORDER DETAILS | CHARGES | LANDED COST | AUTHORIZATION

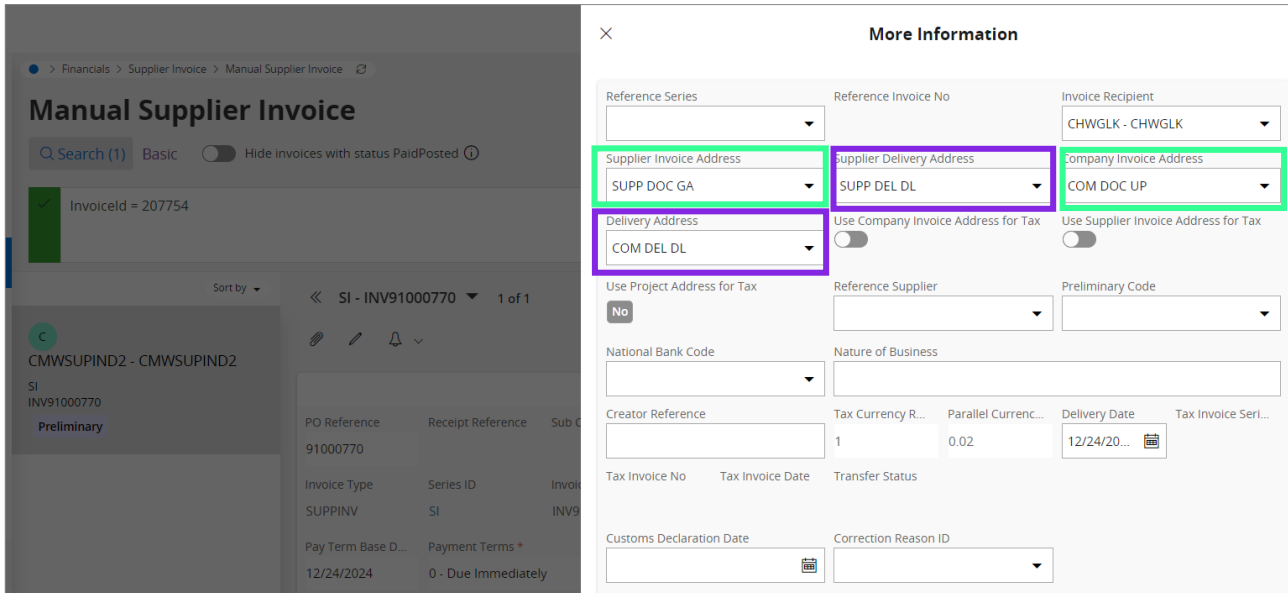
**General**

Delivery Address: | Reference: | Single Occurrence:  | Document Address: COM DOC UP

Delivery Information: | Supplier Delivery Address: SUPP DEL DL | Supplier Document Address: SUPP DOC GA | Ship-Via: \*- test | Delivery Terms: \*- TEST

Delivery Terms Location: | Route: | Forwarder: | External Transport Calendar: |

When creating a Supplier Invoice with PO, the delivery addresses are copied from the Purchase Order while Invoice Addresses default to Company and Supplier Document Addresses in Basic Data. If required, users can change Invoice Addresses in Supplier Invoice according to the PO before Posting.



## 7.9 Update General Ledger

Follow the IFS Cloud core process to update vouchers to General Ledger (*Update GL Vouchers Assistant*).

## 7.10 Fetch Tax Ledger Information

Follow the IFS Cloud core process to fetch tax ledger information (*Fetch Tax Ledger Information Assistant*).

Customer/Supplier PAN in the **Tax ID Number** column, GSTIN of both Delivery Address and Invoice Address of the Customer/Supplier in the **Delivery Tax ID Number** and **Invoice Tax ID Number** columns, Company PAN in the **Company Tax ID Number** column, and Company Delivery GSTIN in the **Company Delivery Tax ID Number** column are visible in the **Tax Transactions** page.

Tax Transactions								
Series ID	Invoice Type	Invoice No	Tax ID Number	Company Tax ID Number	Invoice Tax ID Number	Delivery Tax ID Number	Company Delivery Tax ID Number	
II	INSTINV	9700002	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 8877	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122	
II	INSTINV	9700003	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 3344	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122	
II	INSTINV	9700003	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 3344	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122	
II	INSTINV	9700003	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 3344	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122	

## 7.11 Delimitations

### 7.11.1 DELIMITATIONS IN PRINT INVOICE

In IFS Cloud core, Document Footer functionality is available for many reports. Company Delivery GSTIN is retrieved from Invoice only for the following reports from the **Document Footer/Connect Report** tab:

Report ID	Report Title	Module
CUSTOMER_ORDER_ADV_IVC_REP	Advance Invoice	ORDER
CUSTOMER_ORDER_COLL_IVC_REP	Collective Invoice	ORDER
CUSTOMER_ORDER_IVC_REP	Invoice	ORDER
INSTANT_INVOICE_REP	Instant Invoice	INVOICE
PROJECT_INVOICE_REP	Invoice Printout	PRJREP

### 7.11.2 DELIMITATIONS IN SUPPORT OF MULTIPLE TAX ID NUMBERS IN TAX LEDGER

The process has been verified for the following invoices only:

- Customer Order Invoice
- Credit Customer Order Invoice
- Correction Customer Order Invoice
- Advance Customer Order Invoice
- Credit Advance Customer Order Invoice
- Collective Customer Order Invoice
- Collective Customer Order Invoice - Credit
- Collective Customer Order Invoice - Correction
- Instant Invoice
- Credit Instant Invoice
- Correction Instant Invoice
- Project Invoice
- Credit Project Invoice
- Correction Project Invoice
- Manual Supplier Invoice
- Manual Supplier Invoice in the company with the Posting Proposal set-up

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 8 Indian Reverse Charge

### 8.1 Overview Legal Requirement

Reverse charge is a mechanism where the recipient of the goods or services is liable to pay Goods and Services Tax (GST) instead of the supplier with respect of notified categories of supply.

Below provisions in Indian GST legislations are applicable for Indian Reverse Charges.

- **Section 2 (82) and Sub Section (3) and (4) of Section 9 of The Central Goods and Services Tax Act, 2017**
- **Sub Section (3) and (4) of Section 5 of The Integrated Goods and Services Tax Act, 2017**

*For example, assume a reverse charge transaction of value 10,000 INR and taxes applicable are CGST – 10% and SGST – 5%.*

*If the above is a Procurement Transaction, the Company being the recipient of the goods or services records and pays taxes to Government Authorities. Accordingly, the company is only liable to pay 10,000 INR to the supplier, (payable amount excluding taxes.) and the tax applicable (CGST = 1,000 (10,000\*10%) and SGST = 500 (10,000\*5%), totally amounting to 1,500 INR), must be recorded separately in company accounts.*

*If the above is a Sales Transaction, the Company being the sender of the goods or services doesn't record nor pay taxes to government authorities as the recipient (Customer) will do so. Accordingly, the company is to receive only 10,000 INR from the Customer, (receivable amount excluding taxes.) and the tax applicable (CGST = 1,000 (10,000\*10%) and SGST = 500 (10,000\*5%), totally amounting to 1,500 INR), is not recorded in Company accounts as the Customer will record the same.*

### 8.2 Process Overview



### 8.3 Solution Overview

Complying with the above requirement, upon enablement of an LCC parameter, the user is given the ability to connect Tax Codes with Tax Type, Calculated Tax in Tax Calculation Structures.

Calculated Tax codes are utilized to record accounting entries/postings in compliance with the Reverse Charge entries in the IFS Cloud Core Solution. However, Calculated Tax codes are not allowed to be connected to Tax Calculation Structures in the IFS Cloud Core Solution.

By enabling the use of Calculated Tax Codes in Tax Calculation Structures, IFS Cloud Indian Solution is enabled to handle Reverse Charge treatment in accordance with the HSN/SAC Code

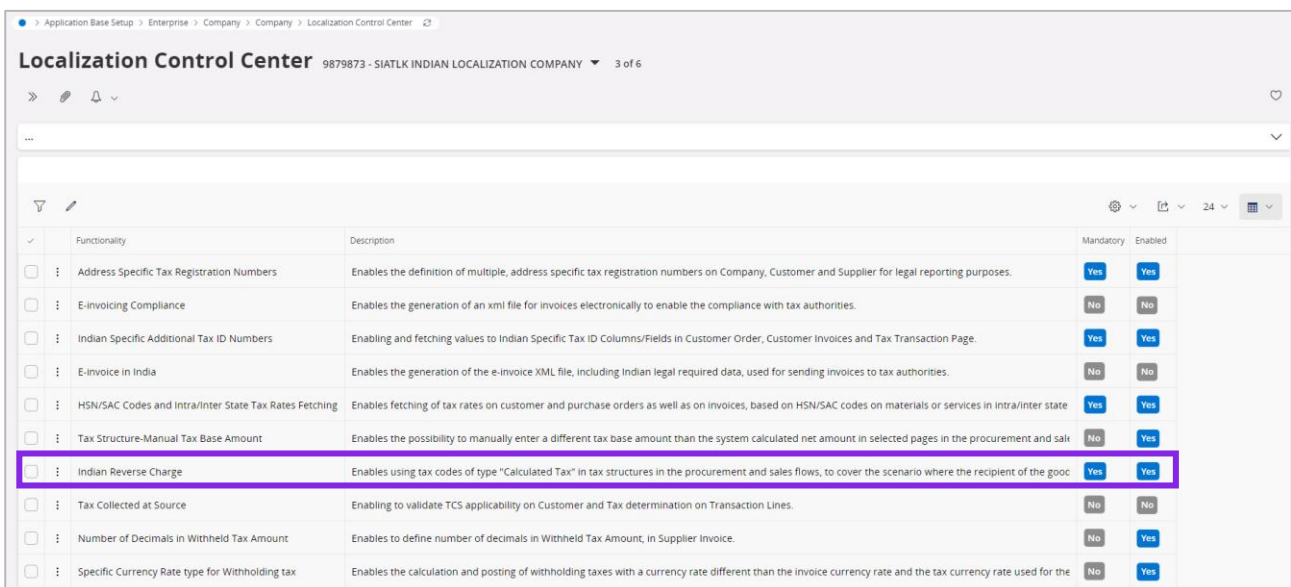
based Indian GST Tax Regime, facilitating the use of multiple tax codes for a single business transaction.

## 8.4 Prerequisites

- The company must be set up to use Indian localization, see the [Company Setup](#) chapter and the 'Indian Reverse Charge' parameter must be enabled on the **Company/Localization Control Center** tab.
- The Tax Code utilized must be set to 'Calculated Tax' in **Tax Codes /Tax Type** and 'Invoice' in **Tax Codes/ Tax Method Tax Received**.
- A Supplier Invoice Enclosure Series and Number Series must be created in **Invoice Enclosure Series** page to facilitate Self Invoicing.
- A delivery type must be created in **Financials/ Supplier Invoice/ Basic Data/ Delivery Types**. Then **Include in Invoice Enclosure** toggle must be enabled and the **Enclosure Series ID** created in previous step must be linked to the delivery type.

## 8.5 Enable Localization Control Center Parameter

In order to utilize this functionality, the LCC parameter 'Indian Reverse Charge' in the **Company/Localization Control Center**, must be enabled. However, as this is a mandatory parameter, the parameter is automatically enabled and noneditable.



Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> E-Invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> HSN/SAC Codes and Intra/inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in intra/inter state	Yes	Yes
<input type="checkbox"/> Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> Indian Reverse Charge	Enables using tax codes of type "Calculated Tax" in tax structures in the procurement and sales flows, to cover the scenario where the recipient of the good	Yes	Yes
<input type="checkbox"/> Tax Collected at Source	Enabling to validate TCS applicability on Customer and Tax determination on Transaction Lines.	No	No
<input type="checkbox"/> Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 8.6 Create Tax Structures using Tax Codes with Tax Type 'Calculated Tax'.

Upon enablement of the LCC parameter, the user is given the ability to connect Tax Codes with Tax Type and Calculate Tax to Tax Calculation Structures. Thereby, the user can enter tax lines applicable for Reverse Charges, using Calculated Tax Codes in Tax Calculation Structures.

Once the Tax Calculation Structure is set to Active, it can be used in transaction pages directly or can be connected to HSN/SAC basic data, to facilitate automatic tax fetching. ([HSN/SAC Basic data](#))

Note: The Reverse Charge functionality catered by the usage of Tax Type “Calculated Tax” In IFS Cloud, was handled via a Tax Type named “Use Tax” in APPS 9 and 10 GET Solution. This results in a change in the utilized posting controls as shown below.

Transaction Type	Apps 9, 10	IFS Cloud 23R2
Procurement Transactions	IP3, IP11	IP9, IP10
Sales Transactions	IP4	IP4

An upgrade handling is facilitated for the customers shifting their application from Apps 9,10 GET to IFS Cloud 23R2 in order to make sure the smooth data transfer between these two different solutions.

Accordingly, any Tax Calculation Structure created using Tax Type “Use Tax” in Apps 9, 10 GET Solution is set to “Obsolete” status during the upgrade process. The user won’t be able to reactivate those Obsolete Tax Calculation Structures and is expected to create new Tax Calculation Structures using Calculated Tax Codes as used tax codes are no longer valid.

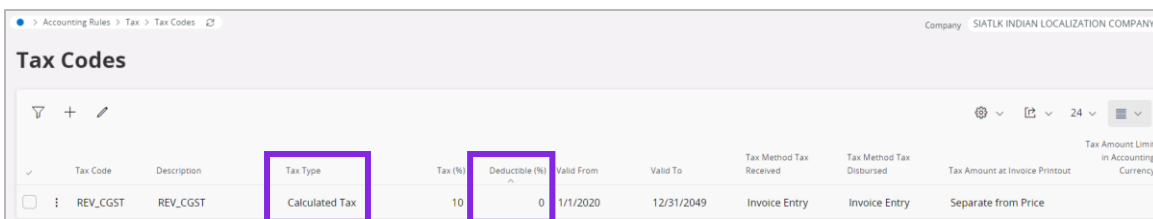
## 8.7 Procurement Flow

### 8.7.1 INPUT TAX CREDIT DISCLAIMER

Tax paid on a reverse charge basis will be available for Input Tax Credit (ITC), if such goods and/or services are used, or will be used, for business.

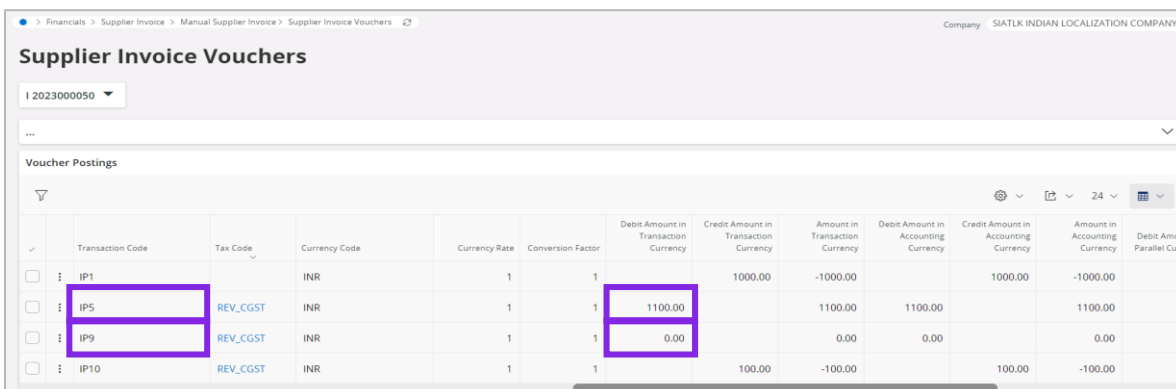
In case when such goods and/or services are not used, or will not be used for business, ITC couldn’t be claimed. In this case the amount of Input tax paid to the government should be identified as a cost to the business organization.

To facilitate this, the core functionality of “Deductible %” could be used. For transactions of this nature, the user can use a 0% deductible “Calculated Tax” tax code.



Company	SIATLK INDIAN LOCALIZATION COMPANY										
Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout	Tax Amount Limit in Accounting Currency	
REV_CGST	REV_CGST	Calculated Tax	10	0	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		

When the user uses a 0% deductible Calculated Tax code to post a procurement transaction, an IP9 posting line will be created with a 0 value and the tax amount will be added to the cost posting.



Company	SIATLK INDIAN LOCALIZATION COMPANY											
Transaction Code	Tax Code	Currency Code	Currency Rate	Conversion Factor	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Debit Amou. Parallel Cur.	
IP1		INR	1	1		1000.00	-1000.00			1000.00	-1000.00	
IP5	REV_CGST	INR	1	1	1100.00		1100.00	1100.00			1100.00	
IP9	REV_CGST	INR	1	1	0.00		0.00	0.00			0.00	
IP10	REV_CGST	INR	1	1		100.00	-100.00			100.00	-100.00	

## 8.7.2 PURCHASE ORDER

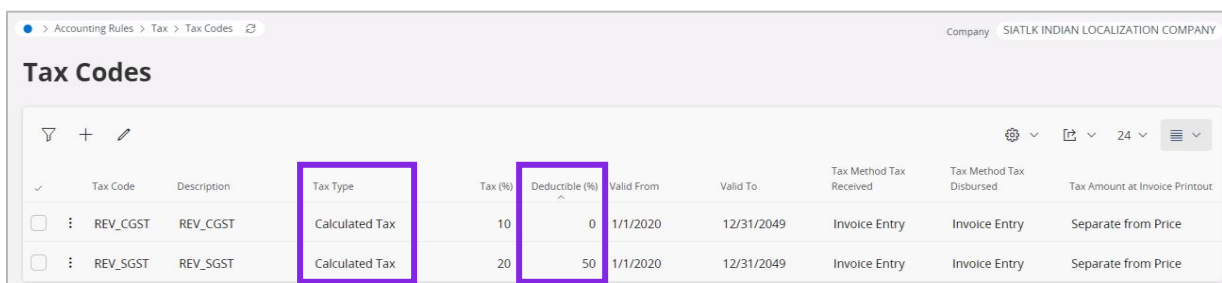
The Tax Calculation Structure with Calculated Tax Codes can be entered to Purchase Order Transaction lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

Moreover, Reverse Charge Functionality is supported in the below transaction types under Supplier Order flow.

- Purchase Order (Part line, No Part line, Rental Part Line, Charges)
- Purchase Order Change Order ((Part line, No Part line, Rental Part Line, Charges)
- Purchase Requisition (Part Line, No Part Line, Rental Part Line)
- Order Quotation (Part Line, No Part Line)
- Order Quotation Approval

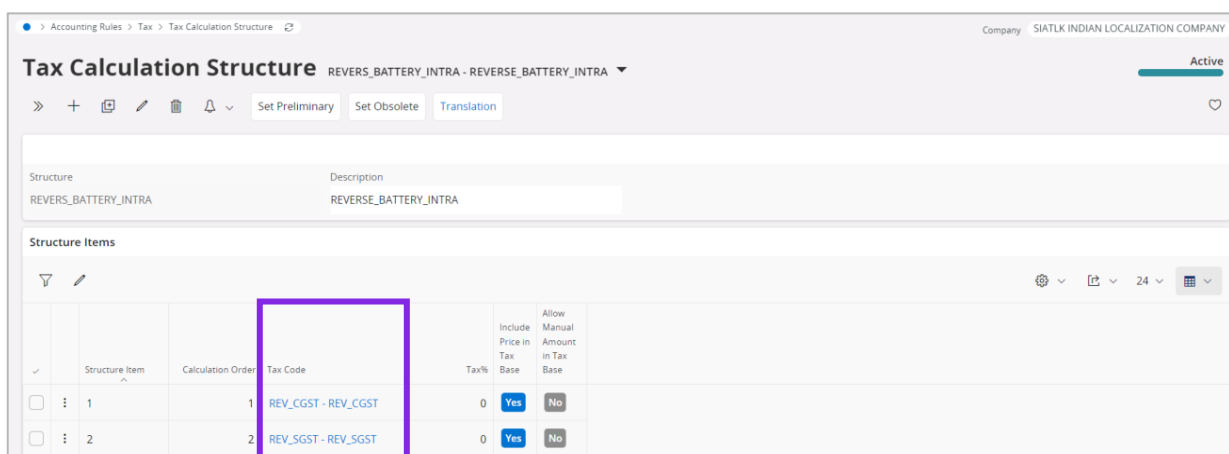
For example, assume the company buys a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are CGST – 10% (No tax credit available) and SGST – 20% (50% tax credit available) as the transaction was an Intrastate transaction.

- The calculated tax codes must be created to facilitate the reverse charge treatment.



✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout
<input type="checkbox"/>	REV_CGST	REV_CGST	Calculated Tax	10	0	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price
<input type="checkbox"/>	REV_SGST	REV_SGST	Calculated Tax	20	50	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price

- The created Tax Codes must be then connected to a Tax Calculation Structure, as both the tax codes are applicable for an Intrastate transaction.



✓	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input type="checkbox"/>	1	1	REV_CGST - REV_CGST	0	Yes	No
<input type="checkbox"/>	2	2	REV_SGST - REV_SGST	0	Yes	No

- The Tax Calculation Structure is then utilized at a Purchase Order Line-item level and Invoiced via Manual Supplier Invoice.

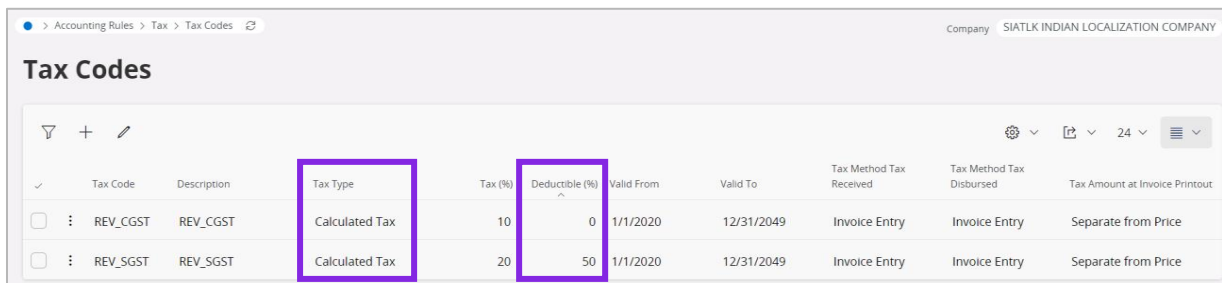
### 8.7.3 MANUAL SUPPLIER INVOICE

The Tax Calculation Structure with Calculated Tax Codes can be entered to invoice lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

Moreover, when the user selects either of the options, Copy Unmatched PO Receipts or Copy Unreceived PO Lines, the Purchase Order lines will be copied to the Manual Supplier Invoice line-item level, along with Tax Structures with Calculated Tax Codes fetched from Purchase Order. The user can also manually change the Tax Structures which will direct to re-calculation of taxes on supplier invoice line level.

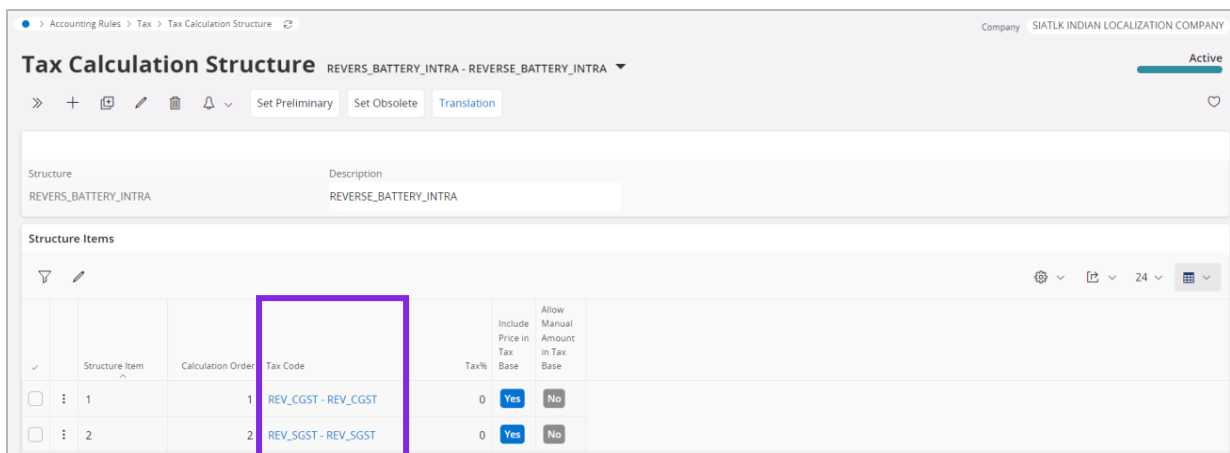
*For example, assume the company buys a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are CGST – 10% (No tax credit available) and SGST – 20% (50% tax credit available) as the transaction was an Intrastate transaction.*

- *The calculated tax codes must be created to facilitate the reverse charge treatment.*



✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout
<input type="checkbox"/>	REV_CGST	REV_CGST	Calculated Tax	10	0	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price
<input type="checkbox"/>	REV_SGST	REV_SGST	Calculated Tax	20	50	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price

- *The created Tax Codes must be then connected to a Tax Calculation Structure, as both the tax codes are applicable for an Intrastate transaction.*



✓	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input type="checkbox"/>	1	1	REV_CGST - REV_CGST	0	Yes	No
<input type="checkbox"/>	2	2	REV_SGST - REV_SGST	0	Yes	No

- *The Tax Calculation Structure is then utilized in a Manual Supplier Invoice Line-item level, directly or via a Purchase Order and once the Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.*

Financials > Supplier Invoice > Manual Supplier Invoice > Supplier Invoice Vouchers

Company: SIATLK INDIAN LOCALIZATION COMPANY

### Supplier Invoice Vouchers

I 2023000051

Voucher Postings

Transaction Code	Tax Code	Currency Code	Currency Rate	Conversion Factor	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Debit Amount in Parallel Currency
IP5		INR	1	1	1200.00		1200.00	1200.00		1200.00	
IP1		INR	1	1		1000.00	-1000.00		1000.00	-1000.00	
IP9	REV_SGST	INR	1	1	100.00		100.00	100.00		100.00	
IP10	REV_SGST	INR	1	1		200.00	-200.00		200.00	-200.00	
IP9	REV_CGST	INR	1	1	0.00		0.00	0.00		0.00	
IP10	REV_CGST	INR	1	1		100.00	-100.00		100.00	-100.00	

Indian Reverse Charge is also supported in the creation of Recurring Invoices, Invoice creation Template, Correction Invoices, Credit Invoices, and Collective Invoices so that the user will be able to bring Tax Structures of a base Invoice to a Recurring Invoice, Correction Invoice, Credit Invoice, or a Collective Invoice created.

#### 8.7.3.1 Supplier Invoice Enclosure for Self-Invoicing

To claim the Input Tax Credit (ITC) applicable for Reverse Charge transactions, the buyer is required to self-invoice and report the same in periodic tax returns (GSTR-3B and GSTR-2A).

The user can facilitate above requirement, via the use of **Supplier Invoice Enclosure**, function in Manual Supplier Invoice.

In order to create a Self-Invoice, it is required to enter the Invoice Enclosure enabled Delivery Type ([Prerequisites](#)) to invoice lines, when creating the Manual Supplier invoice related to Reverse Charges.

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Invoice

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
SIATLK 871973	SIATLK_SUPPLIER01	SI	INV_2023000051	INR			

Line Information

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
1000.00	1000.00	0.00	0.00	1000.00

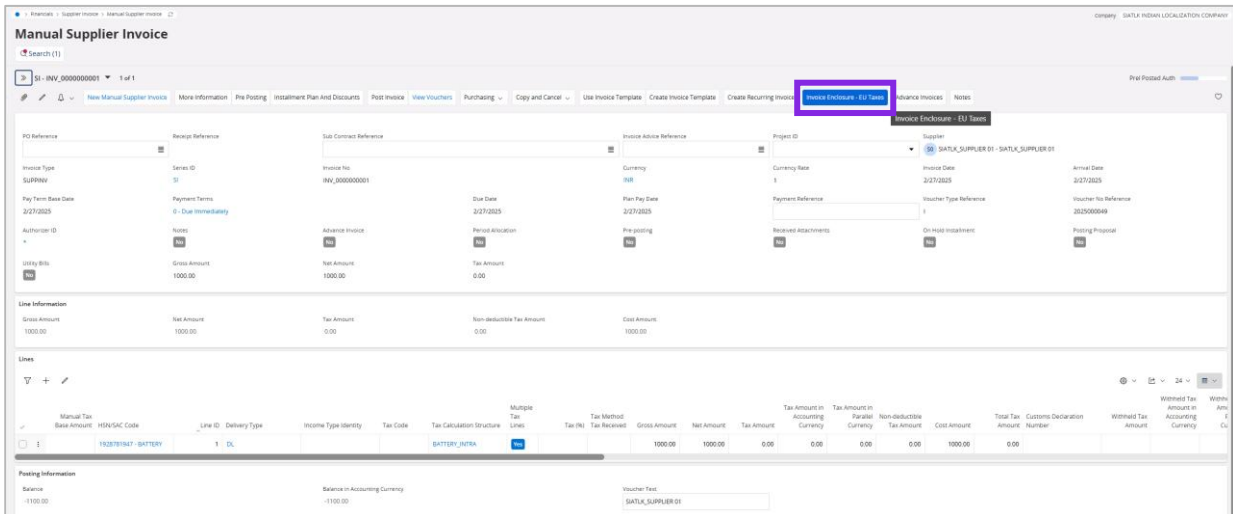
Lines

HSN/SAC Code	Delivery Type	Line ID	Income Type Identity	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax Method	Tax (IN)	Tax Received	Gross Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Cost Amount	Total Tax Amount	Customs Declaration Number	Withheld Tax Amount	Withheld Tax Amount in Accounting Currency	Manual Tax Base Amount
1928791947 - BATTERI	TK	1			BATTERY_INTRA					1000.00	1000.00	0.00	0.00	0.00	0.00	1000.00	0.00				

Previous | Next | Finish | Cancel

Then once the invoice is created, select command **Invoice Enclosure – EU Taxes** to print the self-invoice applicable for the Reverse Charge Invoice.

Note that the Enclosure Series Number will be assigned upon printing the Enclosure Document.



 Adobe Acrobat Document

Sample File >>

**Invoice Enclosures - EU Taxes Analysis** page enables the user to view and analyze the series of Invoice Enclosures/Self-Invoices created by the company.

Moreover, to facilitate the Tax Reporting of Reverse Charge Transactions, the unique **Enclosure Series ID** and **Enclosure No** is made available in the Tax Transactions page upon **Update GL Vouchers** and **Fetch Tax Ledger Information**.

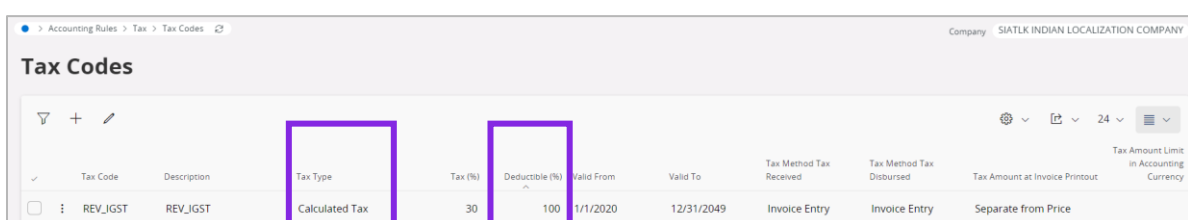
#### 8.7.4 POSTING PROPOSAL

Similar to Manual Supplier Invoices, The Tax Calculation Structure with Calculated Tax Codes can be entered into posting proposal lines either manually or automatically fetched using the HSN/SAC based Tax Fetching.

Moreover, when the user selects either of the options, Copy Unmatched PO Receipts or Copy Unreceived PO Lines, the Purchase Order lines will be copied to Manual Supplier Invoice line-item level and Posting proposal line level, along with Tax Structures with Calculated Tax Codes fetched from Purchase Order. The user can also manually change the Tax Structures which will direct to re-calculation of taxes on supplier invoice line level and Posting proposal line level.

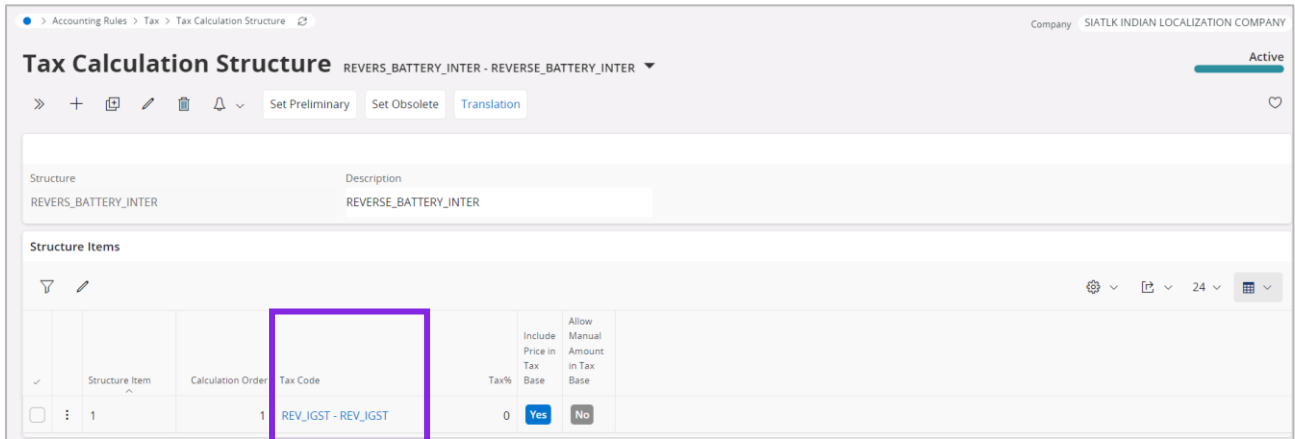
*For example, assume the company buys a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are IGST – 30% (100% tax credit available) as the transaction was an Interstate transaction.*

- *The calculated tax codes must be created to facilitate the reverse charge treatment.*



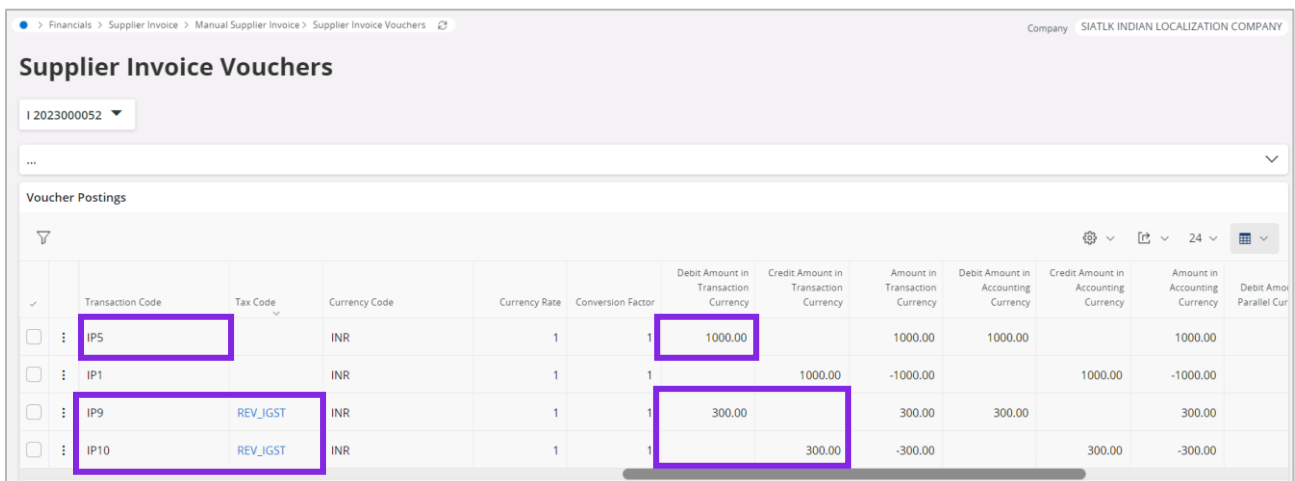
✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout	Tax Amount Limit in Accounting Currency
<input type="checkbox"/>	REV_IGST	REV_IGST	Calculated Tax	30	100	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price	

- The created Tax Codes must be then connected to a Tax Calculation Structure, as only IGST tax code is applicable for an Interstate transaction.



Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	REV_IGST - REV_IGST	0	Yes	No

- The Tax Calculation Structure is then utilized in a Posting Proposal Line-item level, and once the Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.



Transaction Code	Tax Code	Currency Code	Currency Rate	Conversion Factor	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Debit Amount in Parallel Cur
IP5		INR	1	1	1000.00		1000.00	1000.00		1000.00	
IP1		INR	1	1		1000.00	-1000.00		1000.00	-1000.00	
IP9	REV_IGST	INR	1	1	300.00		300.00	300.00		300.00	
IP10	REV_IGST	INR	1	1		300.00	-300.00		300.00	-300.00	

## 8.8 Sales Flow

### 8.8.1 CUSTOMER ORDER

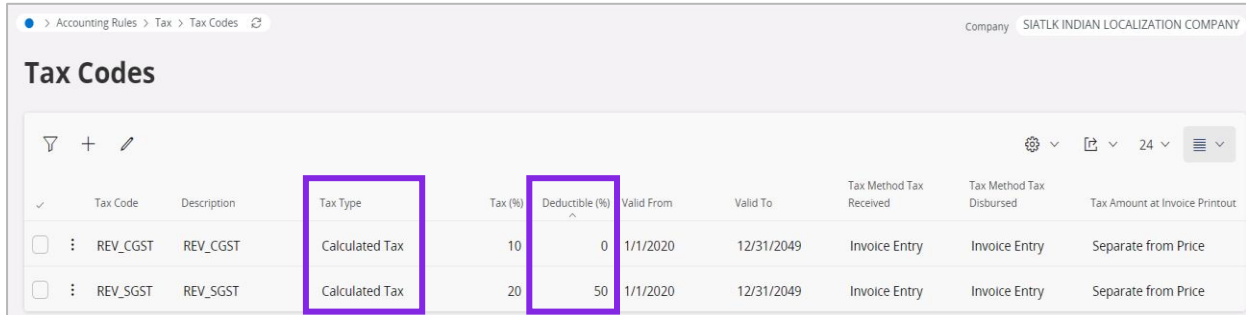
The Tax Calculation Structure with Calculated Tax Codes can be entered into invoice lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

Moreover, Calculated Tax Functionality is supported in the below transaction types under Customer Order flow.

- Sales Quotation (Lines, Rental Lines, Charges)
- Customer Order (Lines, Rental Lines, Charges)
- Customer Invoice
- Return Material Authorization (Return Material Lines, Credit Charges)

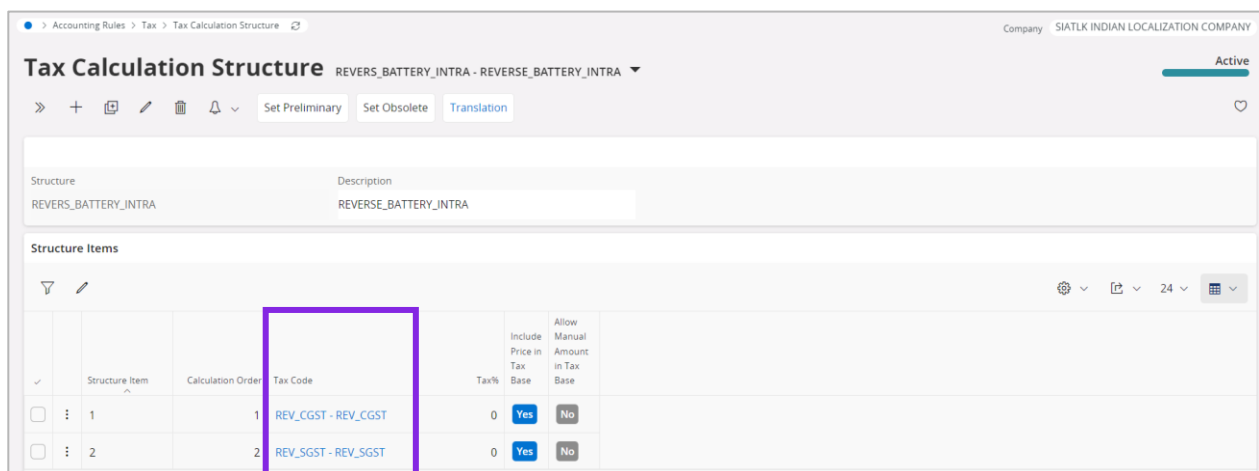
For example, assume the company sells a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are CGST – 10% (No tax credit available) and SGST – 20% (50% tax credit available) as the transaction was an Intrastate transaction.

- The calculated tax codes must be created to facilitate the reverse charge treatment.



✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout
<input type="checkbox"/>	REV_CGST	REV_CGST	Calculated Tax	10	0	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price
<input type="checkbox"/>	REV_SGST	REV_SGST	Calculated Tax	20	50	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price

- The created Tax Codes must be then connected to a Tax Calculation Structure, as both the tax codes are applicable for an Intrastate transaction.



✓	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input type="checkbox"/>	1	1	REV_CGST - REV_CGST	0	Yes	No
<input type="checkbox"/>	2	2	REV_SGST - REV_SGST	0	Yes	No

- The Tax Calculation Structure is then utilized in a Customer Order Line-item level, and once the Customer Order Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.

Accounting Rules > Voucher > Manual Voucher > Voucher

Company: SIATLK INDIAN LOCALIZATION COMPANY

### Voucher

F - 2023000035 1 of 11

Approved

Buttons: New Voucher, New Voucher Template, Instant Update General Ledger, Set Awaiting Approval, Set Not Approved, Notes

Voucher Date: 6/7/2023 | User Group: AC | Voucher Type: F | Voucher No: 2023000035 | Accounting Year: 2023 | Accounting Period: 6 | Accounting Period Description: June 2023

Amount Method: [ ] | Use Correction Rows: No | Text ID: [ ] | Text for Voucher and Row: SIATLK CUS 01 INR | Notes: No

VIEW VOUCHER ROWS | GENERAL

#### Voucher Summary

#### Voucher Rows

✓	Trans Code	Tax Code	Currency Code	Correction	Currency Debit Amount	Currency Credit Amount	Currency Amount	Currency Rate	Conversion Factor	Accounting Currency	Debit Amount	Credit Amount	Amount
<input type="checkbox"/>	IP2		INR	No	1000.00		1000.00	1	1	INR	1000.00		1000.00
<input type="checkbox"/>	IP4	REV_CGST	INR	No		0.00	0.00	1	1	INR		0.00	0.00
<input type="checkbox"/>	IP4	REV_SGST	INR	No		0.00	0.00	1	1	INR		0.00	0.00
<input type="checkbox"/>	MANUAL		INR	No		1000.00	-1000.00	1	1	INR		1000.00	-1000.00

### 8.8.2 INSTANT INVOICE

The Tax Calculation Structure with Calculated Tax Codes can be entered to invoice lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

*For example, assume the company sells a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are CGST – 10% (No tax credit available) and SGST – 20% (50% tax credit available) as the transaction was an Intrastate transaction.*

- The calculated tax codes must be created to facilitate the reverse charge treatment.

Accounting Rules > Tax > Tax Codes

Company: SIATLK INDIAN LOCALIZATION COMPANY

### Tax Codes

✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout
<input type="checkbox"/>	REV_CGST	REV_CGST	Calculated Tax	10	0	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price
<input type="checkbox"/>	REV_SGST	REV_SGST	Calculated Tax	20	50	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price

- The created Tax Codes must be then connected to a Tax Calculation Structure, as both the tax codes are applicable for an Intrastate transaction.

Accounting Rules > Tax > Tax Calculation Structure

Company: SIATLK INDIAN LOCALIZATION COMPANY

### Tax Calculation Structure

REVERS\_BATTERY\_INTRA - REVERSE\_BATTERY\_INTRA

Active

Structure: REVERS\_BATTERY\_INTRA | Description: REVERSE\_BATTERY\_INTRA

Structure Items

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	REV_CGST - REV_CGST	0	Yes	No
2	2	REV_SGST - REV_SGST	0	Yes	No

- The Tax Calculation Structure is then utilized at an Instant Invoice Line-item level, and once the Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.

Accounting Rules > Voucher > Manual Voucher > Voucher

Company: SIATLK INDIAN LOCALIZATION COMPANY

### Voucher

F - 2023000035 | 1 of 11

Approved

Voucher Date: 6/7/2023 | User Group: AC | Voucher Type: F | Voucher No: 2023000035 | Accounting Year: 2023 | Accounting Period: 6 | Accounting Period Description: June 2023

Amount Method: No | Use Correction Rows: No | Text ID: SIATLK CUS 01 INR | Text for Voucher and Row: SIATLK CUS 01 INR | Notes: No

VIEW VOUCHER ROWS | GENERAL

#### Voucher Summary

Voucher Rows

Trans Code	Tax Code	Currency Code	Correction	Currency Debit Amount	Currency Credit Amount	Currency Amount	Currency Rate	Conversion Factor	Accounting Currency	Debit Amount	Credit Amount	Amount
IP2		INR	No	1000.00		1000.00	1	1	INR	1000.00		1000.00
IP4	REV_CGST	INR	No		0.00	0.00	1	1	INR		0.00	0.00
IP4	REV_SGST	INR	No		0.00	0.00	1	1	INR		0.00	0.00
MANUAL		INR	No		1000.00	-1000.00	1	1	INR		1000.00	-1000.00

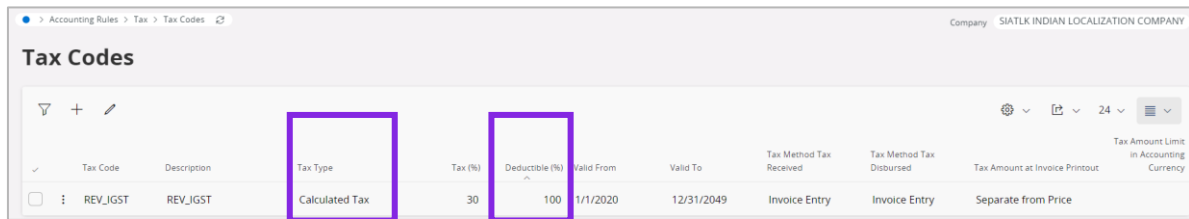
Indian Reverse Charge is also supported in the creation of Recurring Invoices, Correction Invoices, Credit Invoices and Collective Invoices so that the user will be able to bring Tax Structures of a base Invoice to a Recurring Invoice, Correction Invoice, Credit Invoice, or a Collective Invoice created.

### 8.8.3 MANUAL CUSTOMER INVOICE

The Tax Calculation Structure with Calculated Tax Codes can be entered into invoice lines either manually or automatically fetched using the HSN/SAC based Tax Fetching.

For example, assume the company sells a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are IGST – 30% (100% tax credit available) as the transaction was an Interstate transaction.

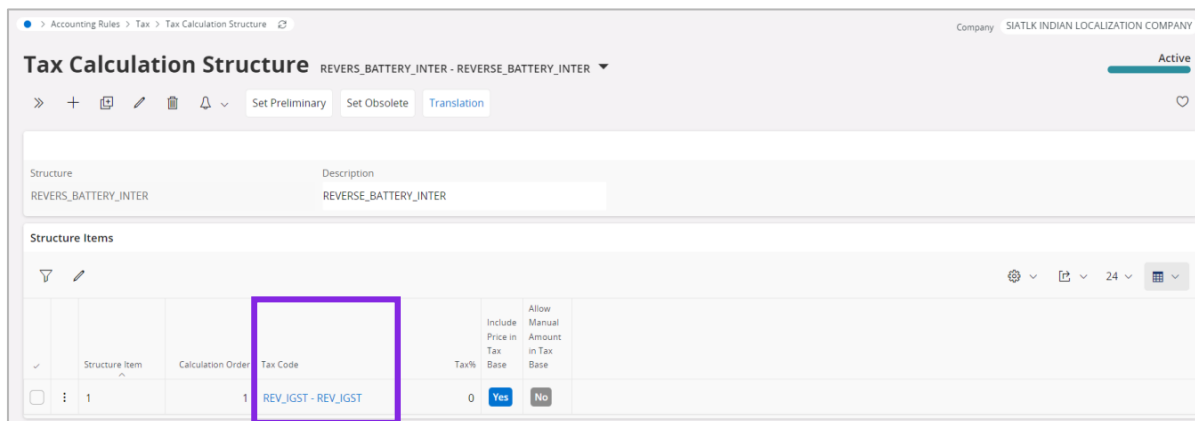
- The calculated tax codes must be created to facilitate the reverse charge treatment.



The screenshot shows the 'Tax Codes' configuration page. A table lists tax codes with the following data:

Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout
REV_IGST	REV_IGST	Calculated Tax	30	100	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price

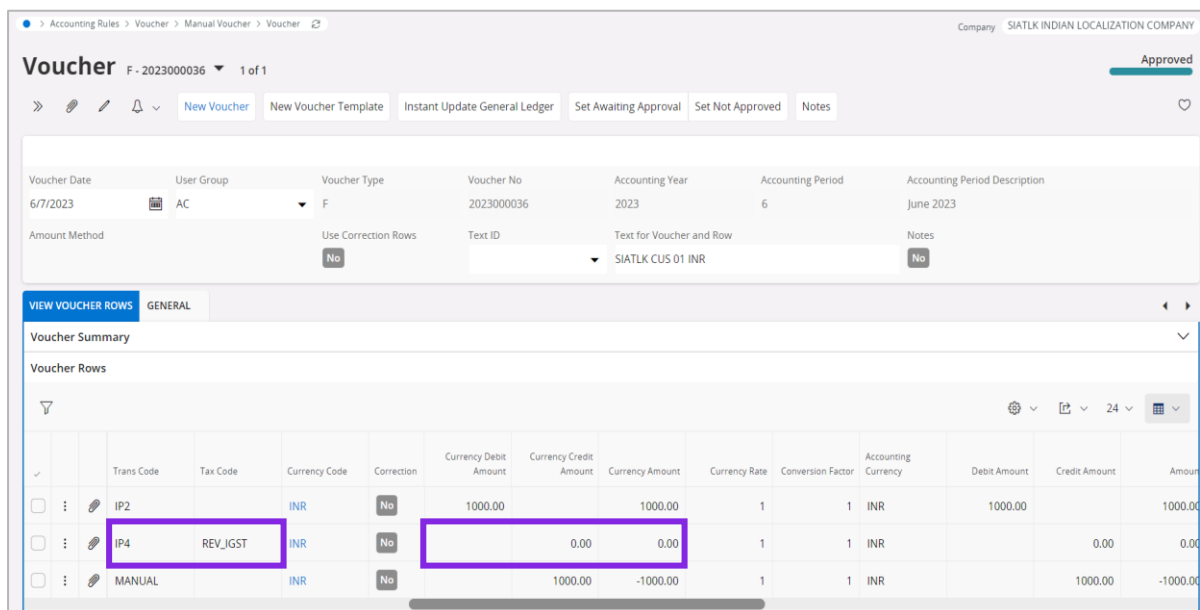
- The created Tax Codes must be then connected to a Tax Calculation Structure, as only IGST tax code is applicable for an Interstate transaction.



The screenshot shows the 'Tax Calculation Structure' configuration page. A table lists structure items with the following data:

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	REV_IGST - REV_IGST	0	Yes	No

- The Tax Calculation Structure is then utilized at a Manual Customer Invoice Line-item level, and once the Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.



The screenshot shows the 'Voucher' configuration page with the following details:

Voucher Date: 6/7/2023, User Group: AC, Voucher Type: F, Voucher No: 2023000036, Accounting Year: 2023, Accounting Period: 6, Accounting Period Description: June 2023.

Amount Method: No, Use Correction Rows: No, Text ID: SIALTK CUS 01 INR, Text for Voucher and Row: SIALTK CUS 01 INR, Notes: No.

The 'Voucher Rows' table shows the following data:

Trans Code	Tax Code	Currency Code	Correction	Currency Debit Amount	Currency Credit Amount	Currency Amount	Currency Rate	Conversion Factor	Accounting Currency	Debit Amount	Credit Amount	Amount
IP2		INR	No	1000.00		1000.00	1	1	INR	1000.00		1000.00
IP4	REV_IGST	INR	No		0.00	0.00	1	1	INR		0.00	0.00
MANUAL		INR	No		1000.00	-1000.00	1	1	INR		1000.00	-1000.00

## 8.9 Tax Transactions

Once the core process to bring Tax Information to the **Tax Transactions** page is followed, i.e., **Update GL Vouchers** and **Fetch Tax Ledger Information** are performed, the relevant Tax Transactions accumulated under calculated Tax will be visible in the **Tax Transactions** page.

Financials > Tax Ledger > Tax Transactions Company: SIATLK INDIAN LOCALIZATION COMPANY

### Tax Transactions

Calculate Income Amount 24

✓	Invoice Type	Branch	Fetchd	Is Report...	Correction	Is Part of Tax Ledger	Include in Tax Proposal	Trans Code	Voucher No	Series ID	Invoice No	Tax Code	Tax Base Amount	Tax Amount
<input type="checkbox"/>	CUSTINV		Yes	No	No	Yes	Yes	IP4	2023000036	CI	INV82498	REV_JGST	-1000.00	0.00
<input type="checkbox"/>	INSTINV		Yes	No	No	Yes	Yes	IP4	2023000035	II	9700015	REV_CGST	-1000.00	0.00
<input type="checkbox"/>	INSTINV		Yes	No	No	Yes	Yes	IP4	2023000035	II	9700015	REV_SGST	-1000.00	0.00
<input type="checkbox"/>	SUPPINV		Yes	No	No	Yes	Yes	IP9	2023000051	SI	INV184686	REV_CGST	0.00	0.00
<input type="checkbox"/>	SUPPINV		Yes	No	No	Yes	Yes	IP10	2023000051	SI	INV184686	REV_CGST	-1000.00	-100.00
<input type="checkbox"/>	SUPPINV		Yes	No	No	Yes	Yes	IP9	2023000051	SI	INV184686	REV_SGST	500.00	100.00
<input type="checkbox"/>	SUPPINV		Yes	No	No	Yes	Yes	IP10	2023000051	SI	INV184686	REV_SGST	-1000.00	-200.00
<input type="checkbox"/>	SUPPINV		Yes	No	No	Yes	Yes	IP9	2023000052	SI	INV810183	REV_JGST	1000.00	300.00
<input type="checkbox"/>	SUPPINV		Yes	No	No	Yes	Yes	IP10	2023000052	SI	INV810183	REV_JGST	-1000.00	-300.00

Note: Although in Apps 9 & 10 solutions, the **Tax Liability Date** of the Reverse Charge related IP3 posting was automatically set to the 1<sup>st</sup> date of the subsequent month when fetching to the **Tax Ledger**, coming to 23R2, the said alteration is omitted on purpose due to absence of any legal requirement to do so.

## 8.10 Delimitations

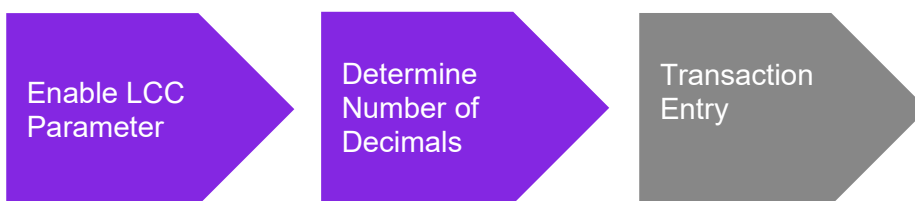
No known.

## 9 Number of Decimals in Withheld Tax Amount, Supplier Invoice

### 9.1 Overview Legal Requirement

Tax Deducted at Source (TDS), is a form of indirect, withholding tax collection by Indian authorities according to the Income Tax Act, 1961. Any payment covered under the provisions available shall be paid after deducting the prescribed percentage. The tax amounts levied via TDS are expected to be rounded up.

### 9.2 Process Overview



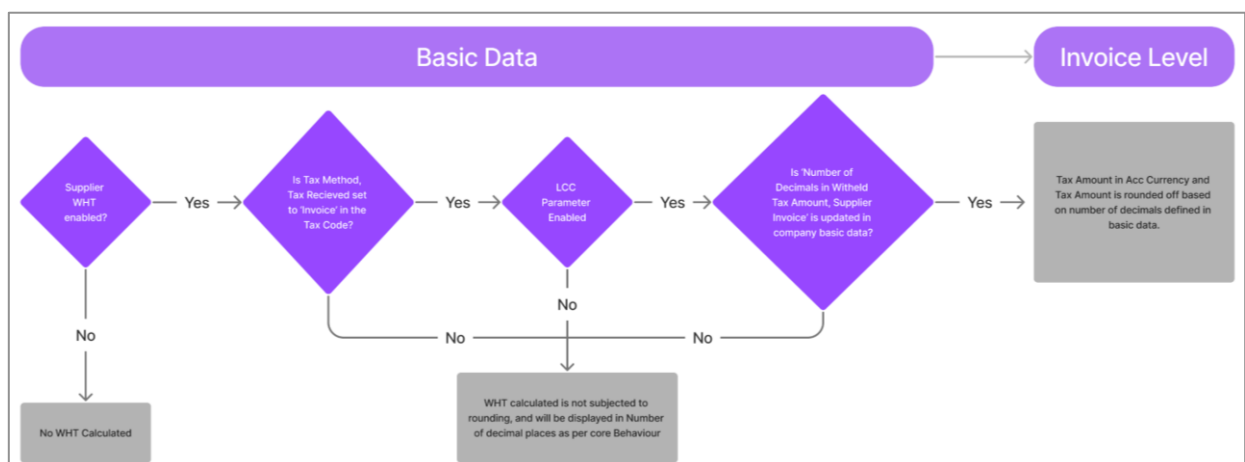
### 9.3 Solution Overview

Complying with the above requirement, upon enablement of an LCC parameter, the user is given ability to determine the number of decimals to which the withholding tax amount must be rounded up to.

Accordingly, the withholding tax component applicable to an Invoice is rounded up as follows.

If the Manual Supplier Invoice is raised in accounting currency (Ex - INR): The rounding will be applicable to both Tax Amount and Tax Amount in Accounting Currency.

If the Manual Supplier Invoice is raised in foreign currency (Ex - USD): The rounding will only be applicable to Tax Amount in Accounting Currency and not to foreign currency amount/ transaction amount.



## 9.4 Prerequisites

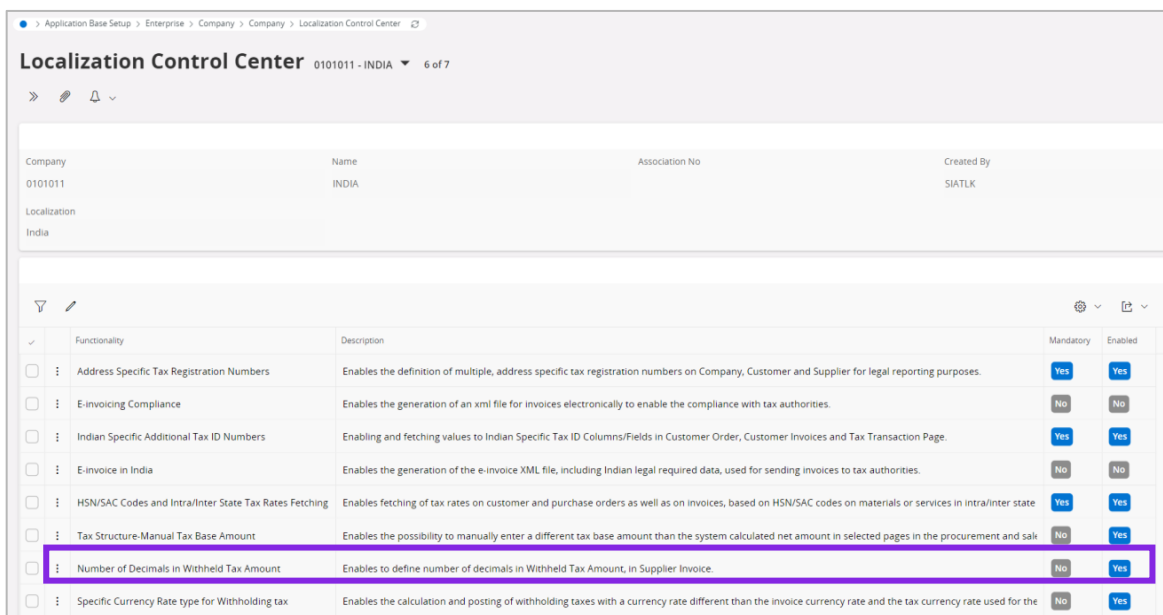
The company must be set-up to use Indian localization, see the [Company Set up](#) chapter and the 'Number of Decimals in Withheld Tax Amount' parameter must be enabled on the **Company/Localization Control Center** tab.

- The company must be set-up to use Indian localization, see the [Company Setup](#) chapter.
- The Withholding Tax Code utilized must be set to 'Invoice' in **Tax Codes/ Tax Method Tax Received**.
- In **Supplier/ Invoice/ Tax Information/ Tax Withholding/Reporting** must be set to Report Income/Withhold Tax, so that the Supplier is WHT enabled.

## 9.5 Enable Localization Control Center Parameter

In order to enable this new functionality, navigate to the Company/Localization Control Center and enable the functionality, "Number of Decimals in Withheld Tax Amount".

Please note that this is an optional localization parameter and user need to enable it manually.



Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> E-Invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in Intra/inter state	Yes	Yes
<input type="checkbox"/> Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 9.6 Determine the Number of Decimals to which the Withholding Tax Amount must be rounded up to.

Compiling with the Indian requirement, upon enablement of the LCC parameter Number of Decimals in Withheld Tax Amount, a new field is made visible in **Company / Tax Control / Invoice** tab named, **Number of Decimals in Withheld Tax Amount, Supplier Invoice**, where the user can define the number of decimal places to which the WHT amount must be rounded up to.

Application Base Setup > Enterprise > Company > Company > Tax Control 6 of 7

### Tax Control 0101011 - INDIA

Company: 0101011 | Name: INDIA | Association No: | Created By: SIATLK

GENERAL | **INVOICE** | SUPPLY CHAIN | EXTERNAL TAX SYSTEM

**General Information**

Amount Method: Net Amount Entry | Tax Rounding Level: Line Level | Invoice Fee Tax Code: | No of Decimals in Withheld Tax Amount, Supplier Invoice: 0

Tax Correspondence, Invoice Line - Manual Postings:  | Tax Amount Limit, Outgoing Invoice Lines:  | Use Tax Invoice:  | Correspondence, Invoice Net Amount - Tax Withholding Base Amount:

Supplement Tax Withholding:  | Post Preliminary Tax Withholding:

**Tax Liability Countries**

Country	Tax ID Type	Tax ID Number	Tax ID Validated Date	Tax Registration Text	Branch	Valid From	Valid Until
(No data)							

Attachments

## 9.7 Invoice Entry

The Tax Amount and Tax Amount in Accounting Currency, are calculated in **Tax Lines, Withholding** will be rounded up accordingly at invoice creation.

*Example:*

When the Withholding Tax Base is 1,239.87 INR and the Tax Rate is 10%, The Tax Amount must be 123.98. However, as the No. of Decimals to which the Tax Amount should round off is set to 0, the value 123.987 is rounded and shown as 124.00 in both Tax Amount and Tax Amount in Accounting Currency.

### Tax Lines, Withholding

Supplier: SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA | Withholding Base: Invoice Net Amount | Series ID: SI | Invoice No: NUMBER OF DECIMALS

Tax Curr Rate: 1 | Gross Amount: 1239.87 | Net Amount: 1239.87

**Line Details**

✓	Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Use Withholding Amount Table	Report Code	State
<input type="checkbox"/>	WHT INV 01	Tax Withhold	1239.87	10	124.00	124.00	62.00	No		

OK Cancel

Supplier Invoice Vouchers

U 2023000005

Voucher Type	Voucher No	Date	Year	Period
U	2023000005	1/12/2023	2023	1

Voucher Postings

Transaction Code	Currency Rate	Currency Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Parallel Currency Rate	Debit Amount in Parallel Currency	Credit Amount in Parallel Currency	Amount in Parallel Currency	Tax Code	Process Code
IP1	1	INR	124.00		124.00	124.00		124.00	2	62.00		62.00		
PP48	1	INR		124.00	-124.00		124.00	-124.00	2		62.00	-62.00	WHT INV 01	

However, if the Invoice is raised in foreign currency, the rounding off will be only applicable to the value in Tax Amount in Accounting Currency.

**Example:**

When the Withholding Tax Base is 1,234.56 USD, the Currency Rate of USD is 2.00 and the Tax Rate is 10%, The Tax Amount in INR (Accounting Currency) must be 246.92. However, as the No. of Decimals to which the Tax Amount should round off is set to 0, the value 246.92 is rounded and shown as 247.00 only in Tax Amount in Accounting Currency.

Tax Lines, Withholding

Supplier	Withholding Base	Series ID	Invoice No
SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA	Invoice Net Amount	SI	NUMBER OF DECIMALS USD

Tax Curr Rate	Gross Amount	Net Amount
2	1234.56	1234.56

Line Details

Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Use Withholding Amount Table	Report Code	State
WHT INV 01	Tax Withhold	1234.56	10	123.46	247.00	123.46	No		

This will create a rounding difference which is handled via PP61/ PP62 posting types.

Supplier Invoice Vouchers

U 2023000006

Voucher Type	Voucher No	Date	Year	Period
U	2023000006	1/12/2023	2023	1

Voucher Postings

Transaction Code	Currency Rate	Currency Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Parallel Currency Rate	Debit Amount in Parallel Currency	Credit Amount in Parallel Currency	Amount in Parallel Currency	Tax Code	Process Code
IP1	2	USD	123.46		123.46	246.92		246.92	2	123.46		123.46		
PP61	2	USD	0.00		0.00	0.08		0.08	2	0.00		0.00	WHT INV 01	
PP48	2	USD		123.46	-123.46		247.00	-247.00	2		123.46	-123.46	WHT INV 01	

## 9.8 Delimitations

- The following invoices are not handled with this functionality:
  - Self-billing Invoices
  - External Invoices
- Functionality described above applies only to tax codes with tax method tax received set to 'Invoice Entry'. For method Payment standard rounding will be applied.
- Functionality does not apply to customer withholding tax reporting.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

# 10 Allow Specific Currency Rates for Supplier Tax Withholding

## 10.1 Overview Legal Requirement

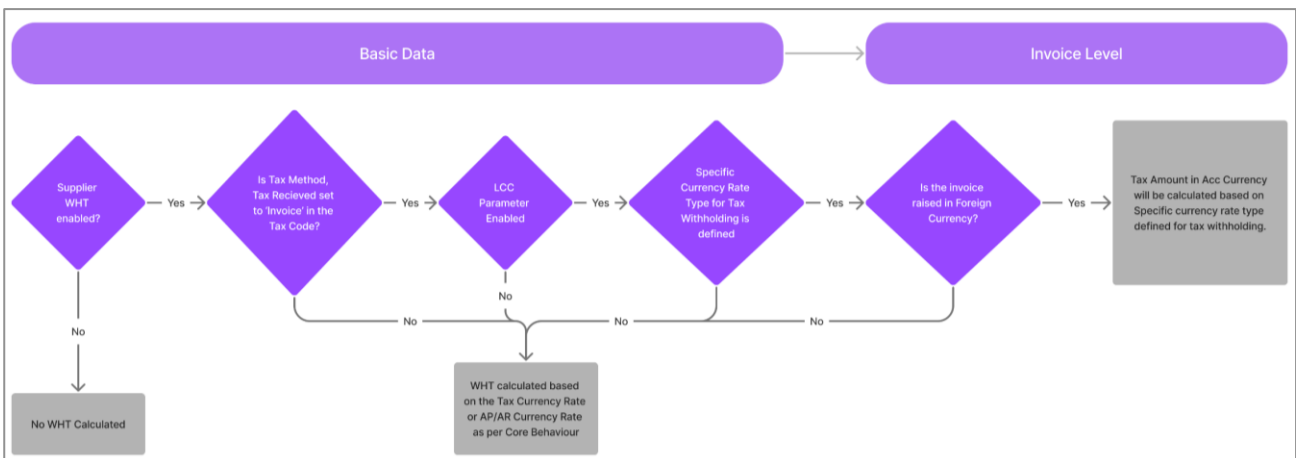
Tax Deducted at Source (TDS), is a form of indirect, withholding tax collection by Indian authorities according to the Income Tax Act, 1961. Any payment covered under the provisions available shall be paid after deducting the prescribed percentage. The **Tax Amount in Accounting Currency** levied via TDS is expected to be calculated and posted using a specific currency rate different than the usual currency rate applied for the invoice transactions and tax transactions.

## 10.2 Process Overview



## 10.3 Solution Overview

Complying with the above requirement, upon enablement of an LCC parameter, the user is given the ability to determine the specific currency rate applicable for withholding tax calculation so that the specified **Currency Rate Type** is utilized to calculate withholding taxes under **Tax Lines, Withholding** in **Manual Supplier Invoice**.



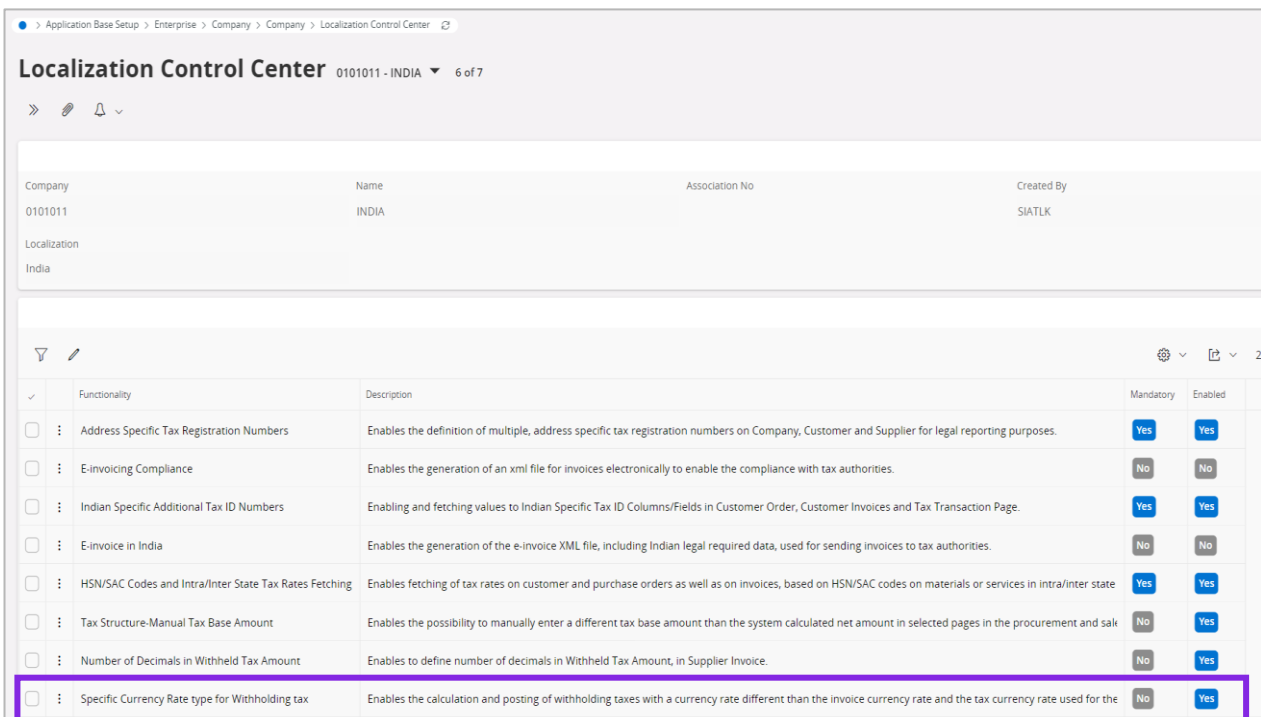
## 10.4 Prerequisites

- The company must be set-up to use Indian localization, see the [Company Setup](#) chapter.
- A Specific Currency Rate Type must be defined for Withholding Taxes in the **Currency rate Types** page.
- In **Supplier/ Invoice/ Tax Information/ Tax Withholding/Reporting** must be set to Report Income/Withhold Tax, so that the Supplier is WHT enabled.
- The Withholding Tax Code utilized must be set to 'Invoice' in **Tax Codes/ Tax Method Tax Received**.

## 10.5 Enable Localization Control Center Parameter

In order to enable this new functionality, navigate to the Company/Localization Control Center and enable the functionality, "Specific Currency Rate type for Withholding tax".

Please note that this is an optional localization parameter and the user need to enable it manually.



The screenshot shows the 'Localization Control Center' for company '0101011 - INDIA'. It displays a table of localization parameters with columns for 'Functionality', 'Description', 'Mandatory', and 'Enabled'. The parameter 'Specific Currency Rate type for Withholding tax' is highlighted with a red box.

Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> : Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> : E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> : Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> : E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> : HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in intra/inter state	Yes	Yes
<input type="checkbox"/> : Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> : Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> : Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 10.6 Determine the Specific Currency Rate to be utilized for Withholding Tax Calculation.

Complying with the Indian requirement, upon enablement of the LCC parameter, a new field group named, **Default Currency Rate type for Withholding tax** is made visible in the **Company / Accounting Rules / Currency Rate Type Information**, where the user can both allow and define a specific currency rate type to be utilized in WHT calculations.

Application Base Setup > Enterprise > Company > Company > Accounting Rules 0101011 - INDIA 6 of 7

### Accounting Rules

Company	Name	Association No	Created By
0101011	INDIA		SIATLK

GENERAL DATA **CURRENCY RATE TYPE INFORMATION**

Default Buy Currency Rate Type: 1 - Normal

Default Sell Currency Rate Type: 1 - Normal

Default Currency Rate Types for Tax

Allow Specific Currency Rates for Tax Transactions:

Buying Currency Rate for Tax: 3 - TAX

Selling Currency Rate for Tax: 3 - TAX

Default Currency Rate Types for Tax, Withholding

Allow Specific Currency Rates for Supplier Withholding Tax Transactions:

Buying Currency Rate Type for Tax, Withholding: 4 - WHT

Attachments

If the Buying Currency Rate Type for Tax, Withholding is not specified at the company level, the currency rate will be based on the Default Currency Rate type specified for tax. If the same is also not specified, then the **Default Buy Currency Rate Type** will be applicable for withholding tax calculation at the Invoice level.

If no specific currency rate type for withhold taxes is specified then the core behavior will be kept that is, the withheld tax amount will be calculated according to the tax currency rate specified on the invoice.

## 10.7 Invoice Entry

When creating a Manual Supplier Invoice, the Tax Withholding Currency Rate is defaulted from the **Default Currency Rate Types for Tax, Withholding** defined in company basic data. The Tax Withholding Currency Rate field is added to the More Information section of the **New Manual Supplier Invoice** assistant and **Manual Supplier Invoice** pag

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: 0101011 | Voucher Date: 1/12/2023 | Accounting Year: 2023 | Accounting Period: 1 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA

Invoice Type: SUPPINV | Series ID: SI | Invoice No: SPECIFIC CURR | Currency: USD | Currency Rate: 2 | Invoice Date: 1/12/2023 | Arrival Date: 1/12/2023 | Pay Term Base Date: 1/12/2023

Payment Terms: 0 | Due Date: 1/12/2023 | Plan Pay Date: 1/12/2023 | Payment Reference: | Automatic Payment Authorization: When Posted | Authorizer ID: \*

Advance Invoice:  | Gross Amount: | Net Amount: | Tax Amount:

---

**More Information**

Reference Series: | Reference Invoice No: | Invoice Recipient: SIATLK - Sinali Attanayake | Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM\_DOCUMENT\_UP

Delivery Address: COM\_DELIVERY\_DL | Use Company Invoice Address for...:  | Use Project Address for Tax:  | Reference Supplier: | Preliminary Code: | National Bank Code: | Nature Of Business: |

Creator Reference: | Tax Currency Rate: 4 | **Tax Withholding Currency Rate: 5** | Parallel Currency Rate: 2 | Delivery Date: 1/12/2023 | Tax Invoice Series ID: |

Tax Invoice No: | Tax Invoice Date: | Customs Declaration Date: | Correction Reason ID: | Correction Reason: | Branch: |

Supplier Branch: |

More Information

Reference Series: | Reference Invoice No: | Invoice Recipient: SIATLK - Sinali Attanayake

Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM\_DOCUMENT\_UP

Delivery Address: COM\_DELIVERY\_DL | Use Company Invoice Address for Tax Cal...:  | Use Project Address for Tax:  |

Reference Supplier: | Preliminary Code: | National Bank Code: |

Nature Of Business: | Creator Reference: |

Tax Currency Rate: 4 | **Tax Withholding Currency Rate: 5** | Parallel Currency ...: 2 | Delivery Date: 1/12/2023 | Tax Invoice Series ...: |

Tax Invoice No: | Tax Invoice Date: | Transfer Status: |

Customs Declaration Date: | Correction Reason ID: |

Correction Reason: | Branch: |

Supplier Branch: |

OK | Cancel

These fields are editable only when,

- Invoice is in foreign currency
- Invoice is not posted (invoice is in Preliminary state)
- Buying Currency Rate for Tax, Withholding is specified

The **Tax Withholding Currency Rate** field is defaulted from the *Default Currency Rates for Supplier Tax Withholding*

The **Tax Curr Rate** field in **Tax lines, withholding** dialog box, fetches the **tax withholding currency rate** specified on the invoice (**New Manual Supplier Invoice Assistant** or **Supplier Invoice More Information** dialog box).

Note that the tax currency rate in the **Tax Lines, withholding** dialog cannot be edited the same as in core. The only places where the currency rate for withholding taxes can be

changed is Tax Withholding Currency Rate field on *New Manual Supplier Invoice Assistant* or *Manual Supplier Invoice*, **More Information** dialog box (When the Invoice is in the “Preliminary” state).

The Tax Amount in Accounting Currency in *Tax Lines, Withholding*, is calculated based on the Specific Currency Rate fetched to the Tax Curr Rate field and the user can edit the field in case of tax codes with ‘Invoice Entry’ as a method when the Buying Currency Rate for Tax, Withholding is specified.

× Tax Lines, Withholding

Supplier <b>SW</b> SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA	Withholding Base Invoice Net Amount	Series ID SI	Invoice No SPECIFIC CURR RATE 01
Tax Curr Rate <b>5</b>	Gross Amount 1000.00	Net Amount 1000.00	

**Line Details**

✓	Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Use Withholding Amount Table	Report Code	State
<input type="checkbox"/>	WHT INV 01	Tax Withhold	1000.00	10	100.00	500.00	100.00	No		

OK
Cancel

Application posts the gain or loss occurred due to the currency rate difference in invoice and the rate used in the withholding tax using posting type PP61 Tax currency loss and PP62 Tax currency profit.

**Example:**

When the Withholding Tax Base is 1,000 USD, the Accounts Payable Currency Rate of USD is 2.00, the Specific WHT Currency Rate of USD is 4.00 and the Tax Rate is 10%, The Withheld Tax Amount in USD (Transaction Currency) is 100 USD and the Tax Amount in Accounting Currency (INR), will be 400.00 INR (as Specific Currency Rate is utilized). However, the Tax Amount Withheld from the Invoice Value is calculated based on the Accounts Payable Currency Rate and therefore, the value of the IP1 entry will be 200.00 INR. The difference of 200 is handled via a PP61 Entry.

Financials > Supplier Invoice > Manual Supplier Invoice > Supplier Invoice Vouchers Company INDIA

### Supplier Invoice Vouchers

U 2023000008

Voucher Type	Voucher No	Date	Year	Period
U	2023000008	1/12/2023	2023	1

**Voucher Postings**

✓	Transaction Code	Currency Rate	Currency Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Parallel Currency Rate	Debit Amount in Parallel Currency	Credit Amount in Parallel Currency	Amount in Parallel Currency	Tax Code	Process Code
<input type="checkbox"/>	IP1	2	USD	100.00		100.00	200.00		200.00	2	100.00		100.00		
<input type="checkbox"/>	PP61	5	USD	0.00		0.00	300.00		300.00	2	0.00		0.00	WHT INV 01	
<input type="checkbox"/>	PP49	5	USD		100.00	-100.00		500.00	-500.00	2		100.00	-100.00	WHT INV 01	

## 10.8 Delimitations

The following invoices are not handled with this functionality:

- Self-billing Invoices
- External Invoices

The functionality described above applies only for tax codes with the tax method 'Invoice Entry'.

Functionality does not apply to customer withholding tax reporting.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 11 TCS – Tax Collected at Source

### 11.1.1 OVERVIEW LEGAL REQUIREMENT

Tax collection at source (TCS) is an extra amount collected as tax by a seller of specified goods from the buyer at the time of sale over and above the sale amount and is remitted to the government account.

Where total turnover is more than Rs.10 crore in the previous financial year and receives sale consideration of any products of more than Rs.50 lakh, such seller must collect TCS upon receiving consideration from the buyer on such amount over and above Rs.50 lakh, as per Section 206C(IH). Such persons must have the Tax Collection Account Number to be able to collect TCS.

- Threshold as of now (2023): TCS to be charged to customers on invoices where the transaction value of the customer is more than **50 Lakhs** in a Financial Year.
- Rate and the Base as of now (2023): **0.1% on Gross Amount (Net Amount + GST)\*TCS%** (Without PAN, then 1% is TCS)

Example:

Mr. A buys a scrap of INR 10,000 from Mr. B. Mr. B, being a seller, will be liable to collect TCS @0.1% on scrap sold to Mr. A. Accordingly, it will collect INR 10,010 [INR 10,000 sale consideration + INR 10 TCS].

### 11.2 Process Overview



### 11.3 Solution Overview

In the App10 Get solution, TCS was supported under the *Indian E-Invoice* parameter. But in the cloud, a new LCC parameter and new toggle in Customer Basic Data are introduced to support TCS the in transaction flow.

Further, an error message is introduced to notify users if TCS Tax Code is not connected in Invoice Lines, and until the user connects TCS Tax Code to the relevant Tax Structure, the invoice is not get posted.

Once any customer has reached the specified threshold by the Indian Government, the following steps need to be followed to apply TCS in the transactions.

**Note:** Even though TCS Tax Code is connecting to all relevant Tax Structures, it does not impact in Supplier Invoicing Flow. (TCS Tax Code is not fetching in Purchase Order or Supplier Invoice Lines)

#### 11.3.1 TCS INCLUDED IN E-INVOICE XML

Companies which are following e-invoice mechanism in India, TCS related details need to be included in the e-invoice xml file in order to get accepted by Indian Tax Authority. Therefore, TCS related information is appear under following xml tags.

Aggregate InvoiceRow:

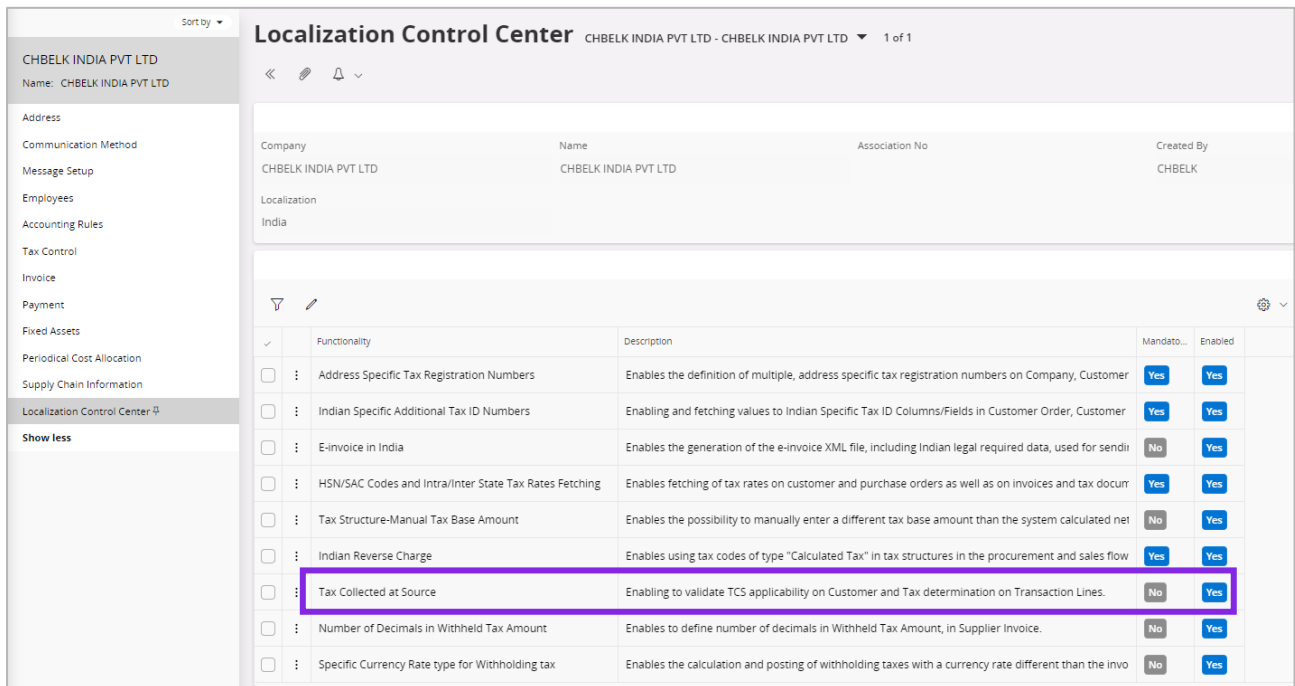
- INTcsRate
- INTcsAmount

Note that the TCS tax amount is not summarized and displayed in the aggregate InvoiceDetails.

## 11.4 Prerequisites

### 11.4.1 ENABLE LCC PARAMETER UNDER LOCALIZATION CONTROL CENTER

- Functionality: Tax Collected at Source
- Description: Enabling to validate of TCS applicability on Customer and Tax determination on Transaction Lines



**Localization Control Center** CHBELK INDIA PVT LTD - CHBELK INDIA PVT LTD 1 of 1

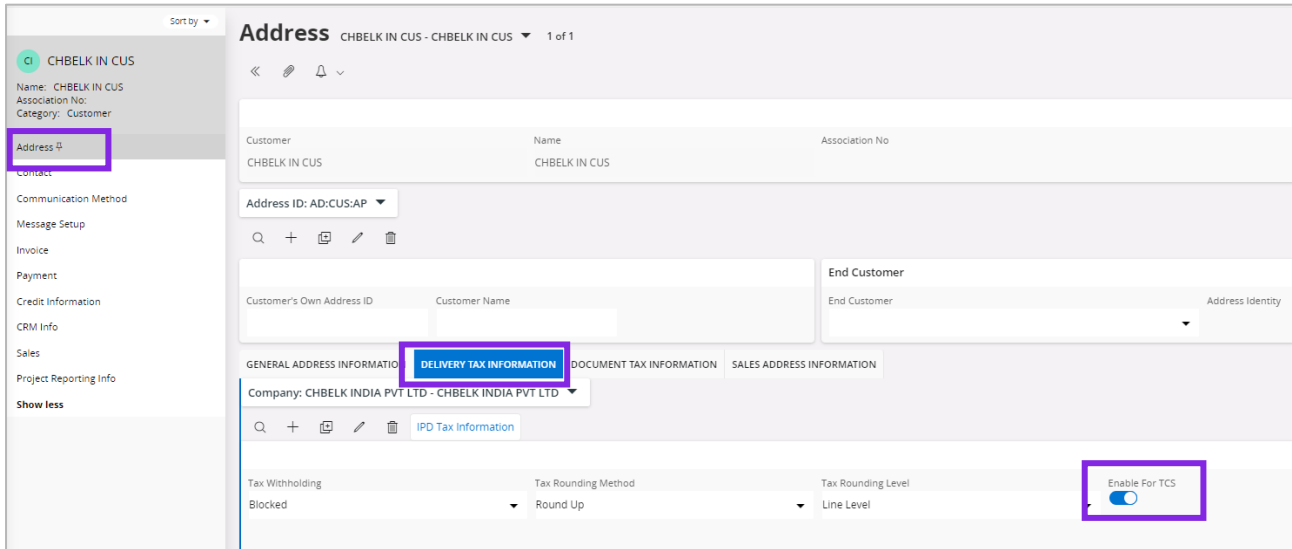
Company: CHBELK INDIA PVT LTD | Name: CHBELK INDIA PVT LTD | Association No: | Created By: CHBELK

Localization: India

Functionality	Description	Mandato...	Enabled
<input type="checkbox"/> : Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer	Yes	Yes
<input type="checkbox"/> : Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer	Yes	Yes
<input type="checkbox"/> : E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sendi	No	Yes
<input type="checkbox"/> : HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices and tax docum	Yes	Yes
<input type="checkbox"/> : Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net	No	Yes
<input type="checkbox"/> : Indian Reverse Charge	Enables using tax codes of type "Calculated Tax" in tax structures in the procurement and sales flow	Yes	Yes
<input type="checkbox"/> : <b>Tax Collected at Source</b>	Enabling to validate TCS applicability on Customer and Tax determination on Transaction Lines.	No	Yes
<input type="checkbox"/> : Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> : Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invo	No	Yes

### 11.4.2 ENABLE TOGGLE UNDER CUSTOMER BASIC DATA

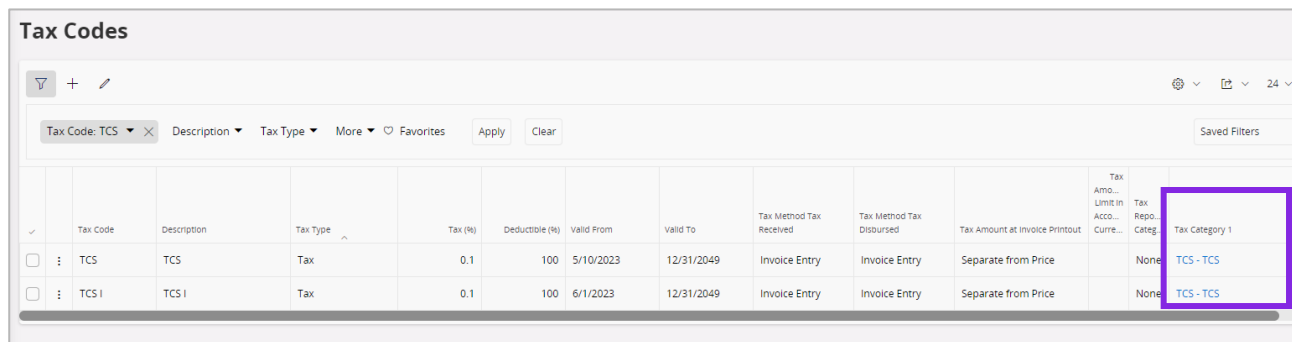
Once the specified Threshold is reached for a given Customer, the user must manually enable this toggle in Customer Basic Data for each address (**Address>Delivery Tax Information**)



The screenshot shows the 'Address' configuration page for 'CHBELK IN CUS'. The left sidebar contains navigation options, with 'Address' highlighted. The main content area shows the 'DELIVERY TAX INFORMATION' tab selected. The 'Enable For TCS' toggle switch is turned on and highlighted with a purple box.

### 11.4.3 DEFINE NEW TAX CODE AS TCS

TCS Tax Code is defined under the **Tax Codes** page using 'Tax Category 1' as TCS.



The screenshot shows the 'Tax Codes' page with a table of tax codes. The 'TCS' and 'TCS 1' rows are highlighted, and the 'Tax Category 1' column for both is highlighted with a purple box.

✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout	Tax Amo... Limit in Acco... Curre...	Tax Repo... Categ...	Tax Category 1
<input type="checkbox"/>	TCS	TCS	Tax	0.1	100	5/10/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price	None	None	TCS - TCS
<input type="checkbox"/>	TCS 1	TCS 1	Tax	0.1	100	6/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price	None	None	TCS - TCS

### 11.4.4 CONNECT TCS TAX CODE IN TAX STRUCTURES

Connect the TCS tax code to all Tax Structures and refer (Structure Item Reference) all other Tax codes specified under the same Tax Structure to the TCS Tax Code.

### Tax Calculation Structure TAX STRUCTURE INTRA - TAX STRUCTURE INTRA

Set Preliminary Set Obsolete Translation

Structure	Description
TAX STRUCTURE INTRA	TAX STRUCTURE INTRA

#### Structure Items

(1) ✓	Structure Item	Calculation Order	Tax Code	Tax%	Include Price In Tax Base	Allow Manual Amount In Tax Base
<input type="checkbox"/>	1	1	1 - IGST	25	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	2	2	2 - SGST	12	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	3	3	TCS - TCS	0.1	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### Structure Item Reference

(1) ✓	Structure Item Reference	Tax Code	Tax%
<input type="checkbox"/>	1	1	25
<input checked="" type="checkbox"/>	2	2	12

## 11.5 TCS Process in Customer Invoices

### 11.5.1 TCS TAX CODE CONNECTED TO THE TAX STRUCTURE

Enter a Customer Invoice (Instant Invoice/Customer Order Invoice/ Manual Customer Invoice) using TCS applicable Customer (who is reached the specified threshold by Indian Government).

TCS Connected Tax Structure is fetched in the invoice lines which is relevant to the specific HSN/SAC code.

### Instant Invoice PR - 244516

More Information | Installment Plan and Discounts | Pre Posting | Print Invoice | Print Work Copy | Advance Invoices | Use Invoice Template | Create Invoice Template | Create Recurring Invoice

Customer	CHBELK IN CUS - CHBELK IN CUS	Invoice Type	INSTINV	Series ID	PR	Invoice No	244516	Project ID	
Delivery Date	9/7/2023	Invoice Address	AD:CUS:AP	Delivery Address	AD:CUS:GOA	Company Delivery Address	AD:COM:UP	Use Customer Invoice Address for Tax	<input type="checkbox"/>
Invoice Fee	No	Correction Invoice	No	Correction Exists	No	Preposting	No	Currency	INR
Net Amount	1500.94	Tax Amount	557.06	Currency Rate	1	Gross Amount	2058.00	Notes: No	

#### Payment and Tax Information

#### Lines

(1)	HSN/SAC Code	Tax Calculation Structure	Position	Text ID	Object ID	Description	Delivery Type ID	Customer Income Type	Quantity
<input checked="" type="checkbox"/>	MACHINE.99008877 - M	TAX STRUCTURE INTRA			SEWING MA...	SEWING MACHINE			1

Users can check the *Tax Lines* consisting of TCS amount based on Invoice Gross amount.

### Instant Invoice Tax Lines

Gross Amount	2057.06	Net Amount	1500.00	Tax Amount	557.06
--------------	---------	------------	---------	------------	--------

#### Tax Line Details

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount	Tax Amount In Accounting Currency	Tax Amount In Parallel Currency	Tax Category 1	Tax Category 2
:	1500.00	1	Tax	25	375.00	375.00	3750.00	IGST - Inter-State GST	
:	1500.00	2	Tax	12	180.00	180.00	1800.00	SGST - State GST	
:	2055.00	TCS	Tax	0.1	2.06	2.06	20.60	TCS - TCS	

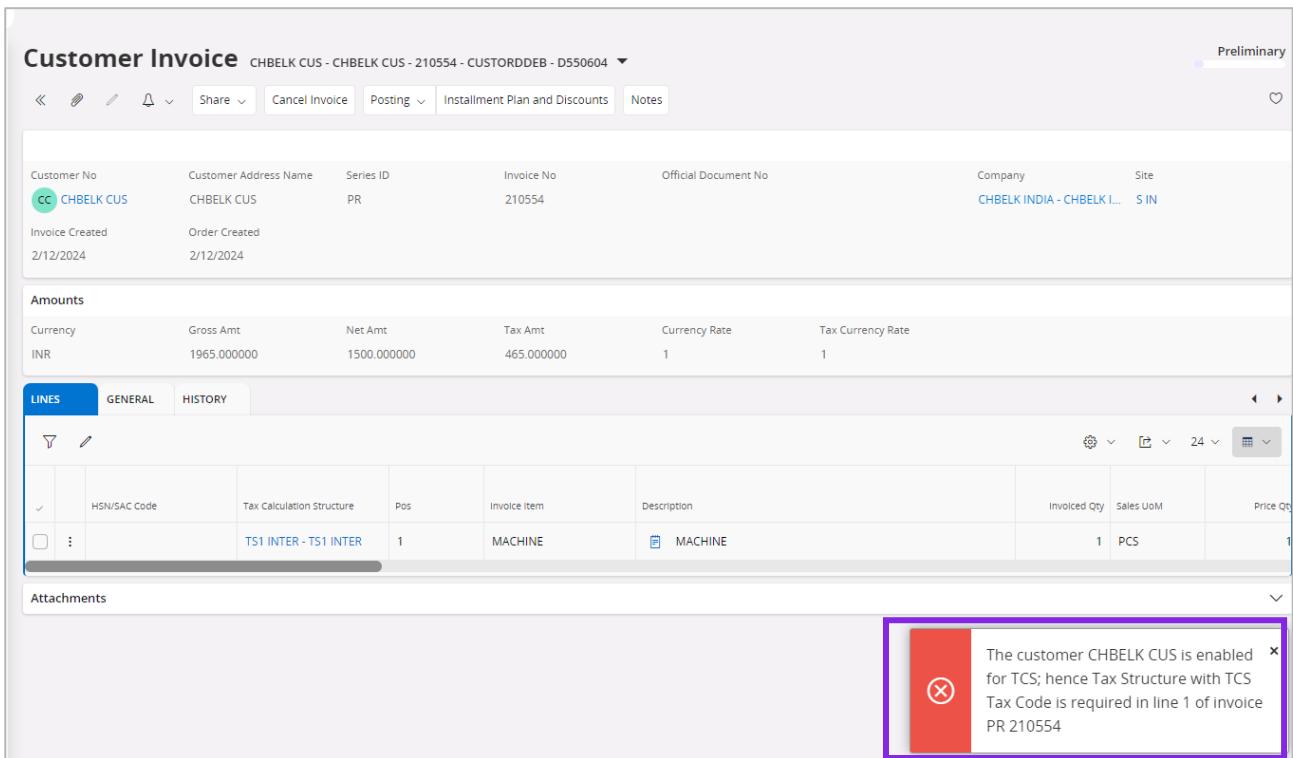
OK Cancel

Follow the standard process (Print/Send/Send E-Invoice) until the customer invoice gets **PostedAuth** state.

### 11.5.2 TCS TAX CODE IS NOT CONNECTED TO THE TAX STRUCTURE

If the TCS Tax Code is not connected to the Tax Structures, even after the TCS Toggle is set to **True** under customer basic data, an error message appears until the user connects the TCS Tax Code to the Tax Structure in each Transaction Line of the Invoice.

**Error Message:** “This Customer YYY is enabled for TCS, hence Tax Structure with TCS Tax Code is required in line XXX of Invoice PR ZZZ”



**Customer Invoice** CHBELK CUS - CHBELK CUS - 210554 - CUSTORDDEB - D550604 Preliminary

Customer No: CHBELK CUS, Customer Address Name: CHBELK CUS, Series ID: PR, Invoice No: 210554, Official Document No: CHBELK INDIA - CHBELK L... S IN

Invoice Created: 2/12/2024, Order Created: 2/12/2024

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
INR	1965.000000	1500.000000	465.000000	1	1

**LINES** GENERAL HISTORY

HSN/SAC Code	Tax Calculation Structure	Pos	Invoice Item	Description	Invoiced Qty	Sales UoM	Price Q
	TS1 INTER - TS1 INTER	1	MACHINE	MACHINE	1	PCS	

**Attachments**

The customer CHBELK CUS is enabled for TCS; hence Tax Structure with TCS Tax Code is required in line 1 of invoice PR 210554

Error messages are appearing in different invoice flows and Pages as follows.

Invoice Type	Command			
	Print / Release	Send	Send E-Invoice	Resend E-Invoice
Instant Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
Customer Order Invoice	Error message raised when clicking the command	Error message visible in Background Jobs	Error message raised when clicking the command	Error message raised when clicking the command
Collective Customer Order Invoice	Error message raised when clicking the command	Error message visible in Background Jobs	Error message raised when clicking the command	Error message raised when clicking the command

Project Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
New Manual Customer Invoice	Error message raised when clicking Finish button			

<b>Page Name</b>	<b>Print Invoice Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command
Customer Order Invoice	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command
<b>Page Name</b>	<b>Batch Print Customer Invoices Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command
Customer Order Invoice	Error message visible in Background Jobs	Error message visible in Background Jobs	Error message raised when click the command
<b>Page Name</b>	<b>Print Customer Invoices Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Customer Order Invoice	Error message visible in Background Jobs	Error message visible in Background Jobs	Error message raised when click the command

<b>Page Name</b>	<b>Print Invoice Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
Customer Order Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
<b>Page Name</b>	<b>Project Invoices Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Project Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
<b>Page Name</b>	<b>Batch Print Customer Invoices Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice
Instant Invoice	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
Customer Order Invoice	Error message visible in Background Jobs	Error message visible in Background Jobs	Error message raised when clicking the command
<b>Page Name</b>	<b>Print Customer Invoices Page</b>		
<b>Command</b>	Print	Send	Send E-Invoice

Customer Order Invoice	Error message visible in Background Jobs	Error message visible in Background Jobs	Error message raised when clicking the command
------------------------	--	--	--

## 11.6 Update General Ledger

Follow the IFS Cloud core process to update vouchers to General Ledger (*Update GL Vouchers Assistant*).

## 11.7 Fetch Tax Ledger Information

Follow the IFS Cloud core process to fetch tax ledger information (*Fetch Tax Ledger Information Assistant*).

Users can check the Tax Collected at Source amounts in the **Tax Transaction** Page using 'Tax Category I' for TCS.

Invoice Type	Command			
	Print	Send	Send E-Invoice	Resend E-Invoice
Instant Invoice	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command	Error message raised when click the command
Customer Order Invoice	Error message raised when click the command	Error message visible in Background Jobs	Error message raised when click the command	Error message raised when click the command
Collective Customer Order Invoice	Error message raised when click the command	Error message visible in Background Jobs	Error message raised when click the command	Error message raised when click the command
New Manual Customer Invoice	Error message raised when click Finish button			

Tax Transactions											
Invoice No	Tax Trans ID	Identity	Series ID	Party Type	Tax ID Validated Date	Income Type ID	Tax Code	Tax Category I	Tax Amount	Original Tax ID Number	
9700028	205086	CHBELK IN CUS - CHBELK IN CUS	II	Customer			TCS I	TCS - TCS	-2.22	AD:CUS:PAN:AP:3344	
9700029	205092	CHBELK IN CUS - CHBELK IN CUS	II	Customer			TCS I	TCS - TCS	-2.22	AD:CUS:PAN:AP:3344	
9700030	205098	CHBELK IN CUS - CHBELK IN CUS	II	Customer			TCS I	TCS - TCS	-2.22	AD:CUS:PAN:AP:3344	
9700031	205104	CHBELK IN CUS - CHBELK IN CUS	II	Customer			TCS I	TCS - TCS	-2.22	AD:CUS:PAN:AP:3344	
CDB SI	205110	CHBELK SUP - CHBELK SUP	SI	Supplier			TCS I	TCS - TCS	14.80	SUP:PAN:998877	
97000012	205023	CHBELK IN CUS - CHBELK IN CUS	CD	Customer			TCS I	TCS - TCS	-2.96	AD:CUS:PAN:AP:3344	

## 11.8 Delimitations

No known.

## 12 TDS – Tax Deducted at Source

### 12.1 Overview Legal Requirement

The concept of TDS (Tax Deducted at Source) was introduced with an aim to collect tax from the very source of income. As per this concept, a person (deductor) who is liable to make a payment of specified nature to any other person (deductee) shall deduct tax at source and remit the same into the account of the Central Government.

The Finance Act, 2021, introduced Section 194Q of the Income-tax Act, 1961, which is related to Tax Deducted at Source (TDS) on the purchase of goods and not to the provisions of services.

- Threshold as of now (2023): TDS to be deducted from suppliers on invoices where the transaction with the supplier is more than **50 Lakhs** in the current year.
- Rate and the Base as of now (2023): **0.1% on Net Amount**.

Example:

An invoice received by the supplier to pay Rs. 10,000 (Without GST) on which 0.1% TDS was charged and held Rs. 10 when making the payment. So, the total payable to the supplier is Rs. 9,990.

### 12.2 Process Overview



### 12.3 Solution Overview

In the Indian Context, TDS is considered a form of Withholding Tax. Therefore, it is decided to use the existing WHT (Withholding Tax) Functionality in IFS to cater to this requirement.

When a **Supplier has reached the specified Threshold** (the current limit is 50 lakhs per year), the user must set up Withholding Tax Codes as per the core functionality.

### 12.4 Prerequisites

- Define Income Type for TDS under the **Income Type** Page using country code “IN” (India).

Income Types							
	Country Code	Income Type	Description	1099 Threshold Currency	1099 Threshold Amount	Report Code	Tax Withholding Code
<input checked="" type="checkbox"/>	IN	TDS	Tax Deducted at Source	INR	0.00		Optional
<input type="checkbox"/>	US	1	Rents	USD	0.00		Optional

- Define the Tax Code for TDS using the Tax Type for 'Tax Withhold'.  
(Tax Method Tax Received / Disbursed – Invoice Entry, Tax Category – None)

(1)	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout	Tax Amt... Limit in Acco... Curre...	Tax Repo... Categ...	Tax Category 1	Tax Ca
<input type="checkbox"/>	TDS	TDS	Tax Withhold	0.1	100	5/31/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	NONE - None	
<input type="checkbox"/>	7	Calculated tax	Calculated Tax	20	100	3/23/2023	12/31/2049	Final Posting	Invoice Entry	Separate from Price		None	SGST - State GST	
<input type="checkbox"/>	EO	EU Tax 0%	Calculated Tax	0	100	1/1/2020	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None		

- Connect TDS tax code under Supplier Withholding setup.  
(Supplier > Invoice Tab > Tax Information > Tax Withholding/Reporting)

Sort by ▾

**Invoice** CHBELK SUP - CHBELK SUP 1 of 1

Supplier: CHBELK SUP Name: CHBELK SUP Association No: CHBELK SUP

Company: CHBELK INDIA PVT LTD - CHBELK INDIA PVT LTD

Notes Default Cost Code String Tax Withholding/Reporting

**TAX INFORMATION** PO MATCHING MESSAGE DEFAULTS

Tax Liability: TAX Tax Withholding/Reporting: Report Income/Withhold Tax Tax Book Ref

Tax Free Tax Code: Rounding Tax Code: Delivery Type

Attachments

Enter *Supplier Income Type* as TDS and relevant Tax Code under *Default Tax Withholding Codes*.

### Tax Withholding/Reporting

CHBELK INDIA PVT LTD - CHBELK SUP 1 of 1

Supplier: CHBELK SUP - CHBELK SUP  
 Supplier Tax Office: [Blank]  
 Withholding Base: Invoice Net Amount  
 Tax Certificate Form: Not Used

UK Specific CIS Reporting: [Blank] | US Specific 1099 Reporting: [Blank]

Supplier Income Type

Income Type	Default Income Type	1099 Threshold Currency	1099 Threshold Amount	Supplier 1099 Threshold Amount
TDS - Tax Deducted at Source	No	INR	0.00	

Supplier State Tax Information

Default Tax Withholding Codes

Tax Code	Tax (%)	Income Type	Report Code	Country Code	State	CIS Status
TDS	0.1	TDS - Tax Deducted at Source				Not Used

## 12.5 TDS Process in Supplier Invoices

Enter a supplier invoice using TDS applicable supplier (who has reached the specified threshold by the Indian Government).

'Income Type Identity' should be selected as TDS in invoice lines (Income Type which is defined under Tax Withholding Basic Data in **Supplier** Page).

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Invoice

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount
CHBELK INDIA PVT LTD	CHBELK SUP	SI	INVOICE 001	INR	

Line Information

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
1000.00	1000.00	0.00	0.00	1000.00

Lines

Tax Lines: Tax Lines, Withholding

HSN/SAC Code	Line ID	Delivery Type	Income Type Identity	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax (%)
	1		TDS			No	

Navigation: Previous, Next, Finish, Cancel

Users can check the TDS amount by clicking the 'Tax Lines, Withholding' command.

× Tax Lines, Withholding

Supplier CS CHBELK SUP - CHBELK SUP	Withholding Base Invoice Net Amount	Series ID SI	Invoice No INVOICE 001
Tax Curr Rate 1	Gross Amount 1000.00	Net Amount 1000.00	

**Line Details**

	Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount In Accounting Currency	Tax Amount In Parallel Currency	Use Withholding Amount Table	Report Code
<input type="checkbox"/>	TDS	Tax Withhold	1000.00	0.1	1.00	1.00	10.00	No	

Follow the standard process of entering supplier invoice until invoice is in **Posted** state.

## 12.6 Update General Ledger

Follow the IFS Cloud core process to update vouchers to General Ledger (*Update GL Vouchers Assistant*).

## 12.7 Fetch Tax Ledger Information

Follow the IFS Cloud core process to fetch tax ledger information (*Fetch Tax Ledger Information Assistant*).

Users can check the TDS amount on the **Tax Transaction** Page using the 'Income Type ID' for TDS.

Tax Transactions									
	Invoice No	Tax Trans ID	Identity	Party Type	Tax ID Validat... Date	Income Type ID	Tax Amount	Original Tax ID Number	Tax ID Number
<input type="checkbox"/>	INVOICE 001	203732	CS CHBELK SUP - CHBELK SUP	Suppl			600.00	SUP: PAN: 998877	SUP: PAN: 998877
<input type="checkbox"/>	INVOICE 001	203733	CS CHBELK SUP - CHBELK SUP	Suppl			2500.00	SUP: PAN: 998877	SUP: PAN: 998877
<input type="checkbox"/>	INVOICE 001	203734	CS CHBELK SUP - CHBELK SUP	Suppl		TDS	-10.00	SUP: PAN: 998877	SUP: PAN: 998877

## 12.8 Delimitations

No known.

## 13 India e-Invoicing

### 13.1 Overview Legal Requirement

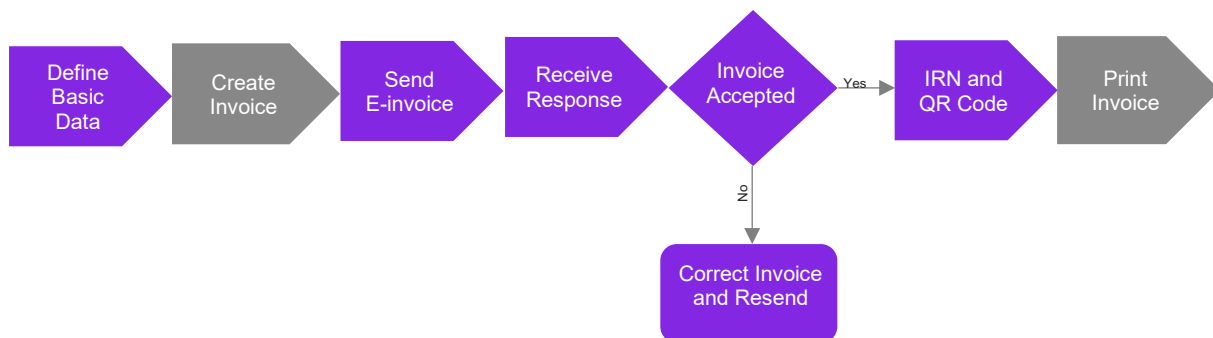
E-invoicing defined under GST law requires specific businesses which are GST registered to generate e-invoice for B2B (business to business) transactions. Based on the e-invoicing system, against each Invoice, an identification number is issued by IRP (Invoice Registration Portal). E-invoicing is applicable to companies in India with aggregate turnover higher than Rs.10 crore from 1st October 2022 and higher than Rs.5 crore from 1st August 2023.

The documents applicable for e-invoice are tax invoices, credit notes and debit notes under Section 34 of the CGST Act.

The chosen clearance model by India consists of three parts:

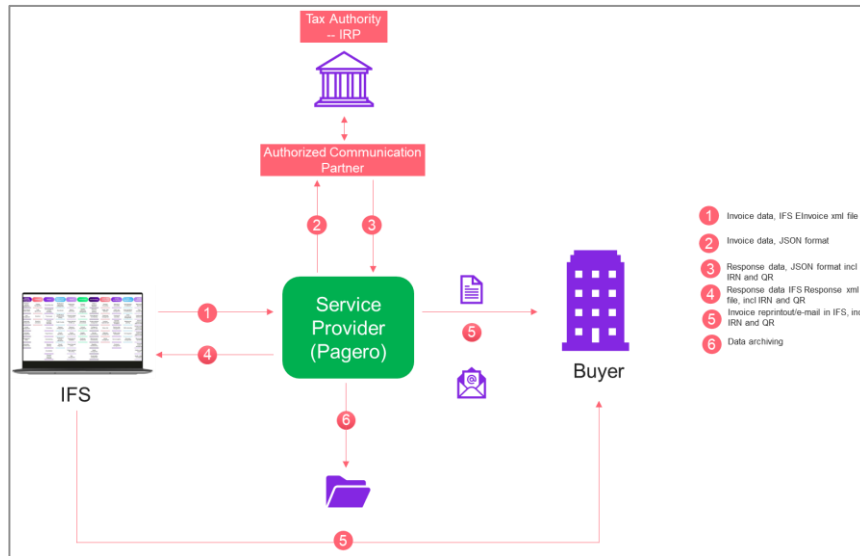
- All invoices must be sent to tax authorities (IRP: Invoice Registration Portal).
- The Tax Authority is sending a response with a clearance/approval, a QR code and an invoice reference number (IRN).
- Invoice including IRN and QR-code is printed and sent to the customer.

### 13.2 Process Overview



### 13.3 Solution Overview

The solution is based on e-invoice processing which uses a 3rd party service provider to handle the communication of invoice information. The solution has been developed in cooperation with the IFS partner Pagero but other local or global service providers can be utilized. The service provider is needed to transform the IFS-style invoice file to the required format and to transform the response file to an IFS-style format.



1. Invoice or Outgoing Tax Document is created in IFS Cloud and XML file in IFS style format is generated. Through IFS Connect, the file is placed in the out-folder to be picked up by the service provider.
2. The service provider validates the file, converts it to the required JSON format and transfers the file to IRP.
3. The service provider receives a response file including status, IRN and QR code.
4. The service provider converts the response file to IFS style format and transfers it to IFS Cloud and IFS Connect in-folder.
5. Invoice or Outgoing Tax Document is printed in IFS Cloud including the IRN and QR-code and sent to buyer.
6. The service providers offer archiving of all relevant documents as well as other services.

### 13.4 Prerequisites

The company requires to be set up for Indian localization, see the [Company Set Up](#) chapter. In addition to this:

- The parameter “E-Invoice in India” must be enabled.
- Need to set up a Company with INR as accounting currency.

⚡

### 13.5 Basic Data Setup

Define the following basic data:

- Connect Process Type to **Company** and/or **Customer** Page.
- Routing rule and address for sending and receiving.
- Supply Type codes to classify different types of business transactions.
- Supply Type Code for Customers to categorize type of business.
- HSN/SAC types to classify whether the supply is service or goods.

#### 13.5.1 NEW PROCESS TYPE

A new Process type STD-IN has been introduced to handle the compliance process facilitating the mandatory e-invoice process.

### E-invoice Processing Type

Search (14) Advanced

Process Type: %STD% Description E-invoice Process More Favorites Search Clear Saved Searches

» STD-IN - Standard Template for Invoice Processing Type - India 7 of 14

+ [Icons]

Process Type	Description		
STD-IN	Standard Template for Invoice Processing Type - India		

---

**E-invoice Process**

E-invoice Process	Process after Response	Automatically Process Accepted Invoice	Approval User
<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	KARULIK - Ruvindya Kaushani
Include Invoice Image			
<input type="checkbox"/> No			

---

**Message Setup**

E-invoice Standard	Format	Service Provider
IFS E-invoice 2.0	E-invoice India	IFS_CLOUD - IFS Cloud

A new process type could be defined by the user with the parameters set below:

- E-invoice Process = Yes
- Process after Response = Yes
- E- Invoice Standard = IFS E-invoice 2.0
- Format = E-invoice India
- Approval User needs to be added.

Format E-invoice India is added to distinguish the Indian XML schema used for the generation of invoice files sent to the Tax Authority with mandatory E-invoice tags for India from the standard XML schema.

### 13.5.2 E-INVOICE SETUP

The user needs to define the Process Type in the **Company** and/ or in the **Customer** page.

Basic data set up in **Company Page/ Invoice /General** tab/Miscellaneous Parameters

Company	Name	Association No	Created By
KD-IND	india- PP	kd-ind	KDESLK

---

**GENERAL** | DEFAULT INVOICE TYPES | PO MATCHING | DOCUMENT MANAGEMENT | SUPPLIER INVOICE WORKFLOW

Upgrade Invoices with Posting Proposals

**Posting Parameters**

**Miscellaneous Parameters**

Planned Payment Date Calculation Base	Unique Supplier Invoice No Per	Incoming Invoice Currency Rate Base	Outgoing Invoice Currency Rate Base
Pay. Term Base Date	Supplier	Voucher Date	Invoice Date
Process Type	Supplier Invoice Authorization Only by Separate Function	Cash Discount Based on Gross Amount	Set Invoice Date to Current Date When Printing Outgoing Invoices
STD-IN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Print Advance Payments Information on Customer Invoice	Unique Payment Reference Validation		
<input checked="" type="checkbox"/>	<input type="checkbox"/>		

---

Invoice Payment Reference No Credit

Basic data is set up in the **Customer Page/ Invoice /General** tab.

Customer KD-IN	Name For India	Association No kd-ind
Company: KD-IND - India- PP		
<input type="text"/> + <input type="text"/> <input type="text"/> Notes IPD Tax Information		
<b>GENERAL</b> PROPERTIES MESSAGE SETUP		
Customer Type External	Default Currency Rate Type	Currency INR
No of Invoice Copies 0	Numeration Group	Customer Group 0 - External
National Bank Code	Inactive Date	Payment Terms 0 - Due Immediately
Supply Type Code GD - GD	Process Type KD-IN	Tax Code
	Invoice Fee <input type="checkbox"/>	Inactive Reason
		Print Tax Code Text <input type="checkbox"/>
		Notes No

To have the Send E-invoice option enabled in **Instant Invoice, Customer Invoice, Print Customer Invoices, Print Invoice, and Outgoing Tax Document** Pages it requires connecting the above-defined process type in the **Company** and/ or **Customer** page.

<b>Instant Invoice</b> PR - 216658							Preliminary
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>							
More Information   Installment Plan and Discounts   Pre Posting   <b>Send E-invoice</b>   Print Work Copy   Advance Invoices   Use Invoice Template   Create Invoice Template   Create Recurring Invoice   Notes							
Customer FI KD-IN - For India	Invoice Type INSTINV	Series ID PR	Invoice No 216658	Project ID	Invoice Date 8/21/2023		
Delivery Date 8/21/2023	Invoice Address CH-DOC	Delivery Address DELHI-DL	Company Delivery Address DL	Use Customer Invoice Address for Tax <input type="checkbox"/>		Notes No	
Invoice Fee No	Correction Invoice No	Correction Exists No	Preposting No	Currency INR	Currency Rate 1	Gross Amount 610.00	
Net Amount 500.00	Tax Amount 110.00						
<b>Payment and Tax Information</b>							
Pay Term Base Date 8/21/2023	Payment Terms 0 - Due Immediately	Due Date 8/21/2023	Payment Method	Payment Address ID			
Supply Country INDIA	Tax Liability TAX	Customer Invoice Tax ID Number CUS:CH-GSTIN:9988	Customer Delivery Tax ID Number CUS-GST-DL-223				
<b>E-invoice Information</b>							
Status	E-invoice Reference Number	E-invoice Reference Date	Response Error Code				
Error Description							

It is also possible to modify the process type at the invoice level (Instant Invoice/Customer Order Invoice/Project Invoice/Outgoing Tax Document) when it is connected to the Company or Customer. In such cases, the system will automatically fetch the process type associated with the Company or Customer. Priority is given to the customer-level process type. This functionality enables the exclusion of non-liable invoices from being sent to Tax Authorities by selecting a process type that is not enabled for **"E-invoice Process"** at the invoice level.

<b>Instant Invoice</b> Search (24+) Advanced Hide invoices with status Paid/Posted		<b>More Information</b>	
Status Customer Invoice Date More Favorites Search	II - 9700001	Process Type UF-GEN-1	Payment Reference Payer CUSTOMER SW - CUSTOMER S... Language English
Customer	Invoice Type	Series ID	Our Reference Customer Reference Customer's PO Number
			Order Date Customer's PO Number
			Ref Invoice Series ID Ref Invoice No
			Branch Customer Branch

Customer Invoice

Search (1)

CUSTOMER SW - CUSTOMER SW - 213357 - CUSTORDDEB - V12368 2 of 3 Preliminary

Share Cancel Invoice Posting Installation Plan and Discounts Notes

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
CUSTOMER SW	CUSTOMER SW	PR	213357	SWG - SWG	SWG	2/20/2025	2/20/2025

Amounts					
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
USD	27400.00	20000.00	7400.00	1	1

LINES GENERAL HISTORY

Invoice Type: CUSTORDDEB - Customer Order Invoice, Debit

Invoice Address: SW AD Invoice Date: 2/20/2025 Printed Date: [ ]

Process Type: UF-GEN-1 - UF GEN 1

Indicators: Price Adjustment: No, Advance/Prepayment Invoice: No, Use Price Ind Tax: No, Notes: No, Correction Exist: No, Correction Invoice: No

Project Invoice

Search (2)

PJ - 20010002 Preliminary

Notes Invoice Text Printout Customer Installment Plan

Customer	Customer Name	Project	Invoice Series
CUSTOMER SW	CUSTOMER SW	[ ]	PJ

Invoice No	Invoice Period Start	Invoice Period End	Notes	Invoice Text
20010002	2/1/2025	2/17/2025	No	No

Amounts			
Currency	Gross Amount	Net Amount	Tax Amount
USD	2270.09	1657.00	613.09

LINES GENERAL PRE POSTING ACCOUNTING

Invoice Information

Invoice Date: 2/17/2025 Invoice Type: PRJINV Invoice Number Reference: 1

Process Type: UF-GEN-1 - UF GEN 1

Series Reference: [ ] Our Reference: [ ] Customer Ref: [ ]

Outgoing Tax Document

Search (1)

375 1 of 1 Preliminary

Cancel Shipment

Tax Document No	Series ID	Series No	Source Ref Type
375			Shipment

Source Reference	Created Date	Voucher Date	Process Type
300	2025-04-24	[ ]	STD-IN - Standard Template for Invoice Processing Type - India

Total Amounts			
Total Net Amount	Total Tax Amount	Total Gross Amount	Currency
0.00			INR

GENERAL LINES

Sender			Receiver		
Sender Type	Sender ID	Sender Description	Receiver Type	Receiver ID	Receiver Description
Site	IPIND	IP India Demand Site	Site	IPINS	IP India Supply Site

### 13.5.3 ROUTING RULE AND ROUTING ADDRESS SETUP

The Routing rules and routing addresses depicted below are only examples provided in the application and must be customized according to the user's localization requirement (It should be noted they are not enabled by default. The User is required to enable if required).

### 13.5.3.1 Sending

#### Routing rule Setup

Example\_Send\_E-invoice has been introduced to send the invoice.

Solution Manager/ Integration/IFS Connect/Routing Rules/ Outbound

Routing Rules				
INBOUND		OUTBOUND		
Rule Name: Example_Send_E-Invo... Route Type Queue More Favorites Apply Clear				
Rule Name	Route Type	Queue	Enabled	Customized
Example_Send_E-Invoice	APPLICATION_MESSAGE	OUT1	Yes	No

The Routing Rule has been set up with the following conditions.

Routing Rule Example_Send_E-Invoice 1 of 1				
Unset Customized				
Rule Details				
Route From	Enabled	Customized		
APPLICATION_MESSAGE	<input checked="" type="checkbox"/>	No		
Rule Name	Queue	Direction		
Example_Send_E-Invoice	OUT1	Outbound		
Content Based Conditions				
Search Path Operation Match				
MESSAGE_FUNCTION	=	SEND_EINVOICE_MESSAGE		
Destination Addresses				
Set Destination Address				
Chain Link No	Main Address	Description	Connector	Address
1	Yes	Example_Send_E-Invoice	Ftp	/OUT

#### Routing Address Set Up

Example\_Send\_E-Invoice is the routing address used.

Routing Addresses				
Export Details Set Customized				
Address Name	Transport Connector			
Example_Send_E-Invoice	FTP			

### 13.5.3.2 Receiving

#### Routing Rule Setup

Example\_Receive\_Einvoice\_Response has been introduced to handle the response file.

Routing Rules						
INBOUND		OUTBOUND				
<input checked="" type="checkbox"/>	Rule Name	Route Type	Queue	Enabled	Customized	
<input type="checkbox"/>	Example_Receive_Einvoice_Response	SOAP_IFS	IN1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

#### Routing Rule Example\_Receive\_Einvoice\_Response 1 of 1

---

##### Rule Details

Route From	Enabled	Customized
SOAP_IFS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rule Name	Queue	Direction
Example_Receive_Einvoice_Response	IN1	Inbound

---

##### Content Based Conditions

Search Path	Operation	Match
fndcn:Function	=	RECEIVE_EINVOICE_RESPONSE

---

##### Destination Addresses

Chain Link No	Main Address	Description	Connector	Address
1	<input checked="" type="checkbox"/>	Example_Receive_Einvoice_Response	Projection	

#### Routing Address Set Up

Example\_Receive\_Einvoice\_Response is the routing address used.

### Routing Addresses

Address Name: Example\_Receive\_Einv...
Transport Connector
Customized
More
Favorites
Apply
Clear
Saved Filters

Address Name	Transport Connector	Customized
Example_Receive_Einvoice_Response	Projection	No

### Routing Address Example\_Receive\_Einvoice\_Response 1 of 1

Advanced
Set Customized

Transport Connector	Address Name	Customized
Projection	Example_Receive_Einvoice_Response	No

#### Format

Envelope	Encoding	Compress	Envelope Response
		<input type="checkbox"/>	<input type="checkbox"/>

#### Transformers

Transformer

- TO\_MIXED\_CASE
- MODEL\_BASED\_XML\_TO\_JSON

#### Response Transformers

Response Transformer

(No data)

#### Projection Address Data

Projection Method	Projection Resource
Action	EinvoiceResponseService.ReceiveInvoiceResponse

### 13.5.4 SUPPLY TYPE CODES

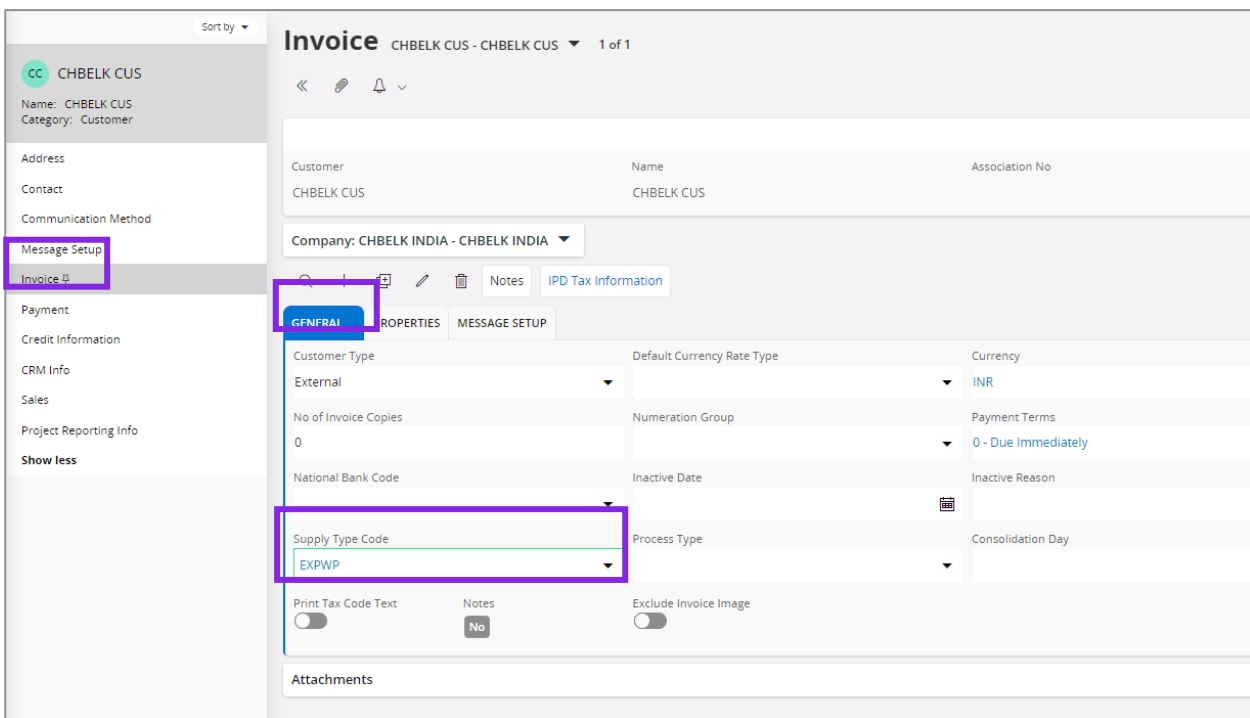
It is mandatory to specify the type of supply in the invoice XML file, and header level to classify the business transaction. The Supply Type requires to be manually defined in the application in the **Supply Type Codes** Page and there will be no predefined codes. The codes are required to be defined in accordance with definitions provided by the Tax Authority.

### Supply Type Codes

✓	Supply Type Code	Description	Default
<input type="checkbox"/>	B2B	Business to Business	Yes
<input type="checkbox"/>	DEXP	Deemed Export	No
<input type="checkbox"/>	EXPWP	Export without Payment	No
<input type="checkbox"/>	EXPWP	Export with Payment	No
<input type="checkbox"/>	SEZOWP	SEZ without Payment	No
<input type="checkbox"/>	SEZWP	SEZ with Payment	No

The enumerated list of Supply Type Codes as of 2023 are B2B/ SEZWP/ SEZOWP/ EXPWP/ EXPWOP/ DEXP and there should be at least one default supply type code always.

The Supply Type Code needs to be defined for the Customer as well.



**Invoice** CHBELK CUS - CHBELK CUS 1 of 1

Customer: CHBELK CUS, Name: CHBELK CUS, Association No: [blank]

Company: CHBELK INDIA - CHBELK INDIA

**MESSAGE SETUP**

Customer Type: External, Default Currency Rate Type: INR, Currency: INR

No of Invoice Copies: 0, Numeration Group: [blank], Payment Terms: 0 - Due Immediately

National Bank Code: [blank], Inactive Date: [blank], Inactive Reason: [blank]

**Supply Type Code:** EXPWP

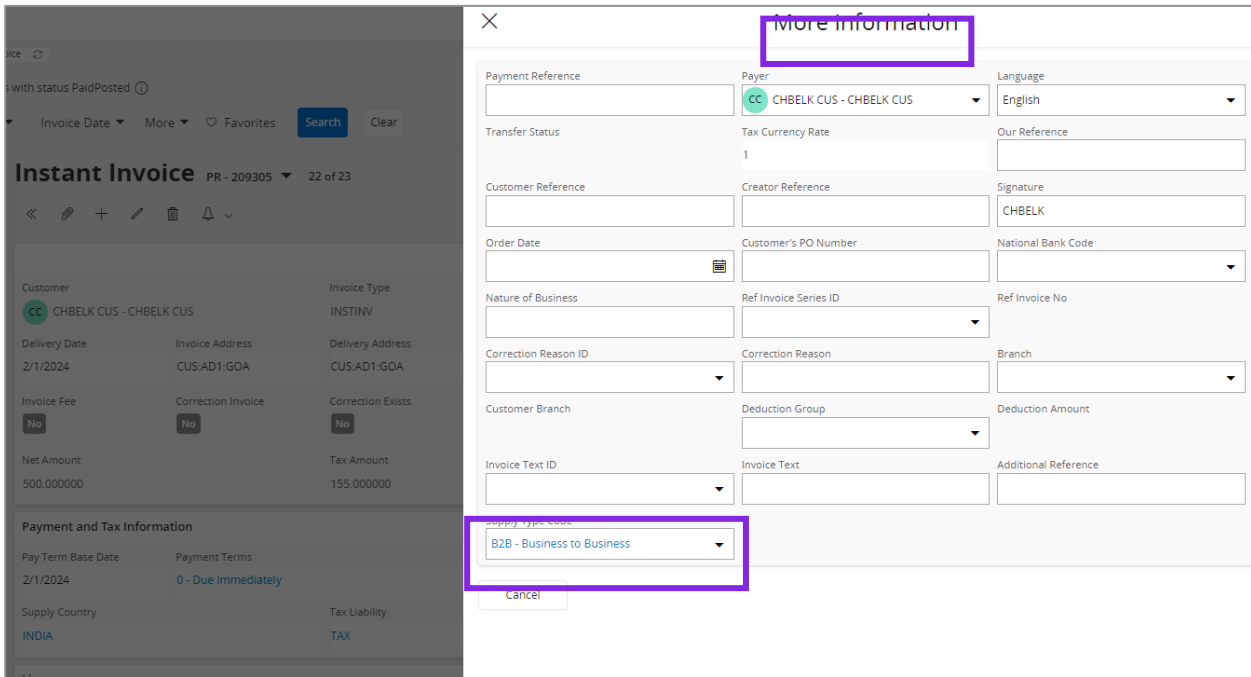
Process Type: [blank], Consolidation Day: [blank]

Print Tax Code Text: [off], Notes: No, Exclude Invoice Image: [off]

A new field is added on the following pages.

#### 13.5.4.1 Instant Invoice

When the user enters an Instant Invoice, value is fetched from customer basic data and if no supply type code is available in customer basic data, default Supply Type Code is fetched. This value can be changed until the invoice is in Preliminary status but before sending E-Invoice.



**Instant Invoice** PR - 209305 22 of 23

Customer: CHBELK CUS - CHBELK CUS Invoice Type: INSTINV

Delivery Date: 2/1/2024 Invoice Address: CUS:AD1:GOA Delivery Address: CUS:AD1:GOA

Invoice Fee: No Correction Invoice: No Correction Exists: No

Net Amount: 500.000000 Tax Amount: 155.000000

Payment and Tax Information

Pay Term Base Date: 2/1/2024 Payment Terms: 0 - Due Immediately

Supply Country: INDIA Tax Liability: TAX

**More Information**

Payment Reference: [ ] Payer: CHBELK CUS - CHBELK CUS Language: English

Transfer Status: [ ] Tax Currency Rate: 1 Our Reference: [ ]

Customer Reference: [ ] Creator Reference: [ ] Signature: CHBELK

Order Date: [ ] Customer's PO Number: [ ] National Bank Code: [ ]

Nature of Business: [ ] Ref Invoice Series ID: [ ] Ref Invoice No: [ ]

Correction Reason ID: [ ] Correction Reason: [ ] Branch: [ ]

Customer Branch: [ ] Deduction Group: [ ] Deduction Amount: [ ]

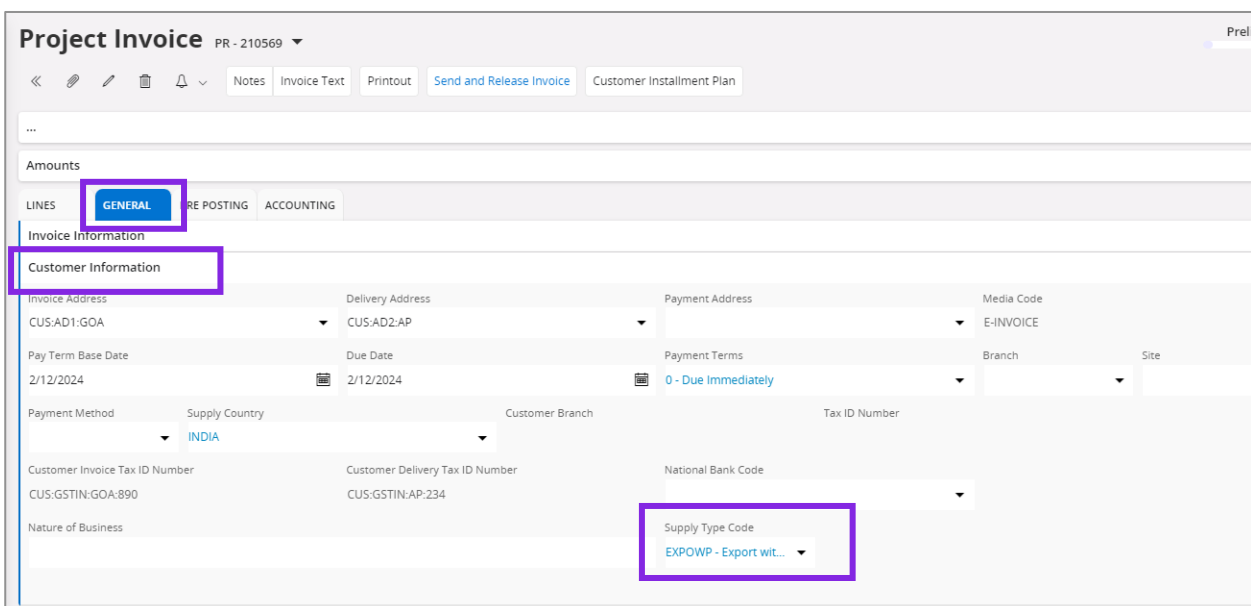
Invoice Text ID: [ ] Invoice Text: [ ] Additional Reference: [ ]

Supply Type Code: **B2B - Business to Business**

Cancel

### 13.5.4.2 Project Invoice

When the user enters a Project Invoice, value is fetched from customer basic data and if no supply type code is available in customer basic data, default Supply Type Code is fetched. This value can be changed until the invoice is in Preliminary status but before sending E-Invoice.



**Project Invoice** PR - 210569 Preli

Notes Invoice Text Printout Send and Release Invoice Customer Installation Plan

Amounts

LINES **GENERAL** RE POSTING ACCOUNTING

Invoice Information

**Customer Information**

Invoice Address: CUS:AD1:GOA Delivery Address: CUS:AD2:AP Payment Address: [ ] Media Code: E-INVOICE

Pay Term Base Date: 2/12/2024 Due Date: 2/12/2024 Payment Terms: 0 - Due Immediately Branch: [ ] Site: [ ]

Payment Method: [ ] Supply Country: INDIA Customer Branch: [ ] Tax ID Number: [ ]

Customer Invoice Tax ID Number: CUS:GSTIN:GOA:890 Customer Delivery Tax ID Number: CUS:GSTIN:AP:234 National Bank Code: [ ]

Nature of Business: [ ] Supply Type Code: **EXPOWP - Export wit...**

### 13.5.4.3 Customer Order

When the user enters a Customer Order, the value is fetched from the customer's basic data and if no supply type code is available in the customer's basic data, the default Supply Type Code is fetched. This value can be changed until the Customer Order gets Invoiced.

**Customer Order** D550708 Planned

← + 📄 🔍 🔔 ▼
Status ▼ Share ▼ Operations ▼ Freight ▼ Invoice ▼ Related Pages ▼
Copy Order Order History Sales Promotions ▼
⋮ 📄

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Order Amounts

LINES RENTAL LINES ORDER DETAILS CHARGES INVOLVED PARTIES
◀ ▶

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<p><b>Delivery Settings</b></p> <table style="width: 100%;"> <tr> <td>Deliver-from Supplier</td> <td>Ship-Via * - TEST</td> <td>Delivery Terms * - IFS Applications</td> </tr> <tr> <td>Del Terms Location</td> <td>Route</td> <td>Forwarder</td> </tr> <tr> <td>Customer Calendar</td> <td>External Transport Calendar * - Default Calendar</td> <td>Backorder Option Incomplete Packages Not Allowed</td> </tr> <tr> <td>External Transp... 0</td> <td>Customs Value ... Intrastat Exempt No</td> <td></td> </tr> </table> <p><b>Delivery Confirmation</b></p> <table style="width: 100%;"> <tr> <td>Confirm Deliver...</td> <td>Check Sales Gro...</td> <td>Delay Cost of Goods Sold to Delivery ...</td> </tr> <tr> <td>No</td> <td>No</td> <td>No</td> </tr> </table>	Deliver-from Supplier	Ship-Via * - TEST	Delivery Terms * - IFS Applications	Del Terms Location	Route	Forwarder	Customer Calendar	External Transport Calendar * - Default Calendar	Backorder Option Incomplete Packages Not Allowed	External Transp... 0	Customs Value ... Intrastat Exempt No		Confirm Deliver...	Check Sales Gro...	Delay Cost of Goods Sold to Delivery ...	No	No	No	<p><b>Delivery Address</b></p> <hr/> <p><b>Document Address</b></p> <hr/> <p><b>Invoice</b></p> <table style="width: 100%;"> <tr> <td>Tax ID</td> <td>Tax ID Validated...</td> <td>Tax Liability TAX</td> <td>Pay Term 0 - Due Immediately</td> <td>Pay Term Base ...</td> </tr> <tr> <td>Invoice Customer</td> <td>Addr ID</td> <td>Invoice Cust Reference</td> <td>Use Price Incl Tax No</td> <td></td> </tr> <tr> <td>Required Prepa... 0</td> <td>Advance/Prepa... Yes</td> <td>Supply Country INDIA</td> <td>Tax Paying Part... No Tax</td> <td>Customer Branch Jinsui Invoice No</td> </tr> <tr> <td>Customer Tax Usage Type</td> <td>Use Customer Document Address for Tax ... No</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Customer Delivery Tax ID Number CUS:GSTIN:GOA:890</td> <td>Customer Invoice Tax ID Number CUS:GSTIN:GOA:890</td> <td>Supply Type Code B2B - Business ...</td> <td></td> <td></td> </tr> </table>	Tax ID	Tax ID Validated...	Tax Liability TAX	Pay Term 0 - Due Immediately	Pay Term Base ...	Invoice Customer	Addr ID	Invoice Cust Reference	Use Price Incl Tax No		Required Prepa... 0	Advance/Prepa... Yes	Supply Country INDIA	Tax Paying Part... No Tax	Customer Branch Jinsui Invoice No	Customer Tax Usage Type	Use Customer Document Address for Tax ... No				Customer Delivery Tax ID Number CUS:GSTIN:GOA:890	Customer Invoice Tax ID Number CUS:GSTIN:GOA:890	Supply Type Code B2B - Business ...		
Deliver-from Supplier	Ship-Via * - TEST	Delivery Terms * - IFS Applications																																										
Del Terms Location	Route	Forwarder																																										
Customer Calendar	External Transport Calendar * - Default Calendar	Backorder Option Incomplete Packages Not Allowed																																										
External Transp... 0	Customs Value ... Intrastat Exempt No																																											
Confirm Deliver...	Check Sales Gro...	Delay Cost of Goods Sold to Delivery ...																																										
No	No	No																																										
Tax ID	Tax ID Validated...	Tax Liability TAX	Pay Term 0 - Due Immediately	Pay Term Base ...																																								
Invoice Customer	Addr ID	Invoice Cust Reference	Use Price Incl Tax No																																									
Required Prepa... 0	Advance/Prepa... Yes	Supply Country INDIA	Tax Paying Part... No Tax	Customer Branch Jinsui Invoice No																																								
Customer Tax Usage Type	Use Customer Document Address for Tax ... No																																											
Customer Delivery Tax ID Number CUS:GSTIN:GOA:890	Customer Invoice Tax ID Number CUS:GSTIN:GOA:890	Supply Type Code B2B - Business ...																																										

#### 13.5.4.4 Customer Order Invoice

The field fetches value from Customer Order and it cannot be editable in Customer Order Invoice.

Note: When creating Collective Customer Order Invoices, user must connect Customer Orders which has same Supply Type Code to one Invoice.

**Customer Invoice** CHBELK CUS - CHBELK CUS - 211790 - CUSTORDDEB - D550736 1 of 1 Preliminary

← 🔍 🔔 ▼
Share ▼ Cancel Invoice Posting ▼ Installation Plan and Discounts Notes
📄

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Amounts

LINES GENERAL HISTORY
◀ ▶

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<p><b>Invoice Type</b> CUSTORDDEB - Customer Order Invoice, Debit</p> <p>Invoice Date 2/20/2024</p> <p>Our Reference Nicolas Leclercq</p> <p>Branch</p> <p style="border: 2px solid purple; padding: 2px;">Supply Type Code EXPWP</p>	<p><b>Invoice Address</b> CUS:AD1:GOA</p> <p>Preliminary Invoice No 211790</p> <p>Customer Reference Name</p> <p>Jinsui Status Non Jinsui</p>									
<p><b>Indicators</b></p> <table style="width: 100%;"> <tr> <td>Price Adjustment No</td> <td>Advance/Prepayment Invoice No</td> <td>Use Price Incl Tax No</td> </tr> <tr> <td>Notes No</td> <td>Correction Exist No</td> <td>Correction Invoice No</td> </tr> <tr> <td>Correction Reason ID</td> <td>Correction Reason</td> <td></td> </tr> </table>	Price Adjustment No	Advance/Prepayment Invoice No	Use Price Incl Tax No	Notes No	Correction Exist No	Correction Invoice No	Correction Reason ID	Correction Reason		
Price Adjustment No	Advance/Prepayment Invoice No	Use Price Incl Tax No								
Notes No	Correction Exist No	Correction Invoice No								
Correction Reason ID	Correction Reason									

---

Payment ▼ Delivery ▼  
References ▼ Invoice Text ▼

#### 13.5.4.5 Outgoing Tax Document

Default Supply Type Code is fetched to the field, and it can be changed until the E-Invoice is sent.

**Outgoing Tax Document** 313 1 of 1 Preliminary

Send E-Invoice Cancel Posting Analysis Shipment

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**Total Amounts**

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**GENERAL** LINES

Sender			Receiver		
Sender Type	Sender ID	Sender Description	Receiver Type	Receiver ID	Receiver Description
Site	IPI51	IPI51 - Delhi	Site	IPI52	IPI52 - Assam

Sender Address			Receiver Address		
Address Source	Address Source ID	Document Address ID	Address Source	Address Source ID	Document Address ID
Company	IP-CO-IN	AD4-AS-DOC	Company	IP-CO-IN	AD2-DL-DOC
Delivery Address ID	Branch	Sender Delivery Tax ID Number	Delivery Address ID	Receiver Delivery Address Name	Single Occurance
AD3-AS	IPBRANCH	113113	AD1-DL		No
			Receiver Delivery Tax ID Number		
			111111		

**India Specifics**

Supply Type Code  
B2B - Business-To-Business

### 13.5.4.6 Tax Transactions

The **Supply Type Code** is derived from source transactions, including **Instant Invoices**, **Project Invoices**, **Customer Order Invoices**, **Outgoing Tax Documents**, and **Incoming Tax Documents**. This derived value will be displayed on the **Supply Type Code** field on the **Tax Transactions** page.

Financials > Tax Ledger > Tax Transactions Company KEWELK INDIAN COMPANY 2

**Tax Transactions**

Search

Tax Trans ID Tax ID Number Identity Invoice No Voucher Date More Favorites Advanced Saved Searches

Search Clear

Calculate Income Amount

Supply Type Code	Invoice No	Identity	Tax Trans ID	Party Type	Voucher No	Voucher Date	County	Accounting Year
B2B	9700007	KEWELK INDIAN CUS 1 - KEWELK INDIAN CUSTOMER 1	201079	Customer	2025000000	10/14/2025	INDIA	2025
B2B	9700008	KEWELK INDIAN CUS 1 - KEWELK INDIAN CUSTOMER 1	201080	Customer	2025000001	10/14/2025	INDIA	2025
B2B	9700010	KEWELK INDIAN CUS 1 - KEWELK INDIAN CUSTOMER 1	201081	Customer	2025000002	10/15/2025	INDIA	2025

### 13.5.4.7 Generic Tax Template XML

The **Supply Type Code** is included in the Generic Tax Template XML as well to ensure accurate and consistent GST reporting.

```

{} KEWELK INDIAN CO 2_1.json
C: > Users > kewelk > Downloads > {} KEWELK INDIAN CO 2_1.json > ...
2      "" : [
193    {
268      "ReportingTaxAmount": 0,
269      "NonDeductibleTaxCurrAmount": 0,
270      "IncomeAmount": null,
271      "ReportCode1": null,
272      "ReportCode2": null,
273      "ReportCode3": null,
274      "ReportCode4": null,
275      "ReportCode5": null,
276      "ManualTaxBaseAmount": null,
277      "HsnSacCode": null,
278      "HsnSacCodeDescription": null,
279      "FromState": "DL",
280      "ToState": "DL",
281      "SubcontractorName": null,
282      "SubcontractorTaxIdNo": null,
283      "RemainingIsdAmount": null,
284      "EnclosureSeriesId": null,
285      "EnclosureNo": null,
286      "SupplyTypeCode": "B2B",
287    },
288  ],
289  {
290    "Company": "KEWELK INDIAN CO 2",
291    "ProposalId": 1,
292    "TaxCode": "0",
293    "DeliveryTypeId": null,
294    "CompanyTaxIdNumber": null,

```

### 13.5.5 HSN/SAC CODES

The GST regime requires identifying all goods by an HSN code and services by a SAC code and is mandatory to include in the invoice XML sent to the authority. See [HSN/SAC Codes Basic Data Setting and Fetch Tax Structure via HSN/SAC Codes](#) chapter for detailed information on setting up.

## 13.6 E – Invoice Flow and Response File Handling

### 13.6.1 E-INVOICE PROCESS IN CUSTOMER INVOICES

Once the process type is set up in the **Company** or **Customer** basic data, the **Send E-invoice** command on the **Instant Invoice / Customer Order Invoice and Project Invoice** pages will be enabled.

Enter the header and line level data in the **Instant invoice** page and upon saving the invoice it will be saved in Preliminary state with the Send E-invoice option enabled.

A sub-section **E-invoice Information**, in the **Instant Invoice / Customer Order Invoice and Project Invoice** Pages, has been introduced to depict the information pertaining to the response of the file and errors pertaining to sending the e-invoice where the file is not created and sent.

**Instant Invoice** PR - 205042

More Information | Installation Plan and Discounts | Pre Posting | **Send E-Invoice** | Print Work Copy | Advance Invoices | Use Invoice Template | Create Invoice Template | Create Recurring Invoice | Notes

Customer	Invoice Type	Series ID	Invoice No	Project ID	Invoice Date
KD-IN - For India	INSTINV	PR	205042		5/13/2023
Delivery Date	Invoice Address	Delivery Address	Company Delivery Address	Use Customer Invoice Address for Tax	Notes
5/13/2023	CH-DOC	DELHI-DL	CH	<input type="checkbox"/>	No
Invoice Fee	Correction Invoice	Correction Exists	Preposting	Currency	Currency Rate
No	No	No	No	INR	1
Net Amount	Tax Amount	Gross Amount			
1000.00	250.00	1250.00			

**Payment and Tax Information**

Pay Term Base Date	Payment Terms	Due Date	Payment Method	Payment Address ID
5/13/2023	0 - Due Immediately	5/13/2023		
Supply Country	Tax Liability	Customer Invoice Tax ID Number	Customer Delivery Tax ID Number	
INDIA	TAX			

**E-Invoice Information**

Status	E-Invoice Reference Number	E-Invoice Reference Date	Response Error Code
Response Error	Error		

To send invoice XML to the authority, the user is required to select the Send E-invoice option.

An XML file in IFS style format is created and placed in the IFS Connect out-folder which can be verified in the out-folder.

3rd party service provider validates the file, converts it to the required JSON format, and transfers the file to IRP.

Once the invoice XML is sent to the authorities, based on the status of response the E-invoice Information sub section will be updated.

**Instant Invoice** II - 9700019

More Information | Installation Plan and Discounts | Pre Posting | Reprint Original | Reprint Modified | View Connected Invoices | Correction Invoices | Create Credit Invoice | Use Invoice Template | Notes

Customer	Invoice Type	Series ID	Invoice No	Project ID	Invoice Date
KD-IN - For India	CORRINV	II	9700019		8/16/2023
Delivery Date	Invoice Address	Delivery Address	Company Delivery Address	Use Customer Invoice Address for Tax	Notes
8/16/2023	CH-DOC	DELHI-DL	DL	<input type="checkbox"/>	No
Invoice Fee	Correction Invoice	Correction Exists	Preposting	Currency	Currency Rate
No	Yes	No	No	INR	1
Net Amount	Tax Amount	Gross Amount			
-100.00	-7.06	-107.06			

**Payment and Tax Information**

Pay Term Base Date	Payment Terms	Due Date	Payment Method	Payment Address ID
8/16/2023	0 - Due Immediately	8/16/2023		
Supply Country	Tax Liability	Customer Invoice Tax ID Number	Customer Delivery Tax ID Number	
INDIA	TAX	CUS-CH-GSTIN:9988	CUS-GST-DL-223	

**E-Invoice Information**

Status	E-Invoice Reference Number	E-Invoice Reference Date	Response Error Code
Approved	a2848568b7126fa73730f6ec2a784891347170b4445f9156a	7/19/2023	
Response Error	Error		

Status: Response status after invoice XML is sent to the authority. Possible statuses are Pending, Accepted, Rejected and Failed.

E-invoice Reference Number: The unique number (IRN) generated by the Tax Authority and sent with a response file.

E-invoice Reference Date: Date on which the response with IRN is received by the Tax Authority

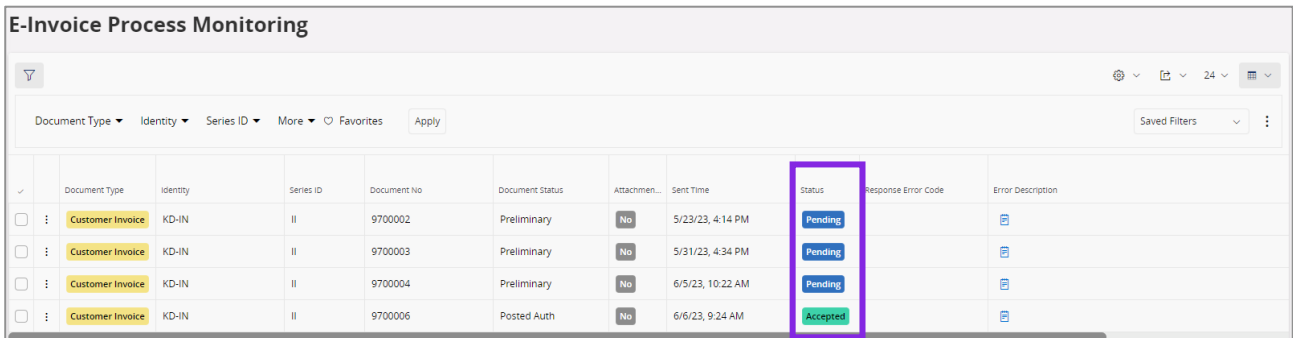
Response Error Code: Error code pertaining to the invoice rejected reason.

Response Error: Description of the error pertaining to the invoice rejected reason.

Error: Errors that occur prior to sending the E-invoice

### 13.6.2 NEW E-INVOICE PROCESS MONITORING PAGE

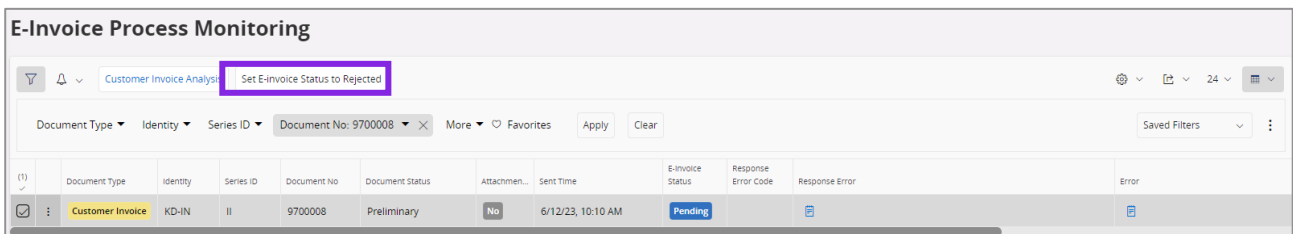
**The E-invoice Process Monitoring** page has been introduced to monitor the Invoice or Outgoing Tax Document sent to authorities for compliance. This page will depict the status of the response from Tax Authorities and other relevant information. Possible statuses of the response are Pending, Accepted and Rejected.



Document Type	Identity	Series ID	Document No	Document Status	Attachmen...	Sent Time	Status	Response Error Code	Error Description
Customer Invoice	KD-IN	II	9700002	Preliminary	No	5/23/23, 4:14 PM	Pending		
Customer Invoice	KD-IN	II	9700003	Preliminary	No	5/31/23, 4:34 PM	Pending		
Customer Invoice	KD-IN	II	9700004	Preliminary	No	6/5/23, 10:22 AM	Pending		
Customer Invoice	KD-IN	II	9700006	Posted Auth	No	6/6/23, 9:24 AM	Accepted		

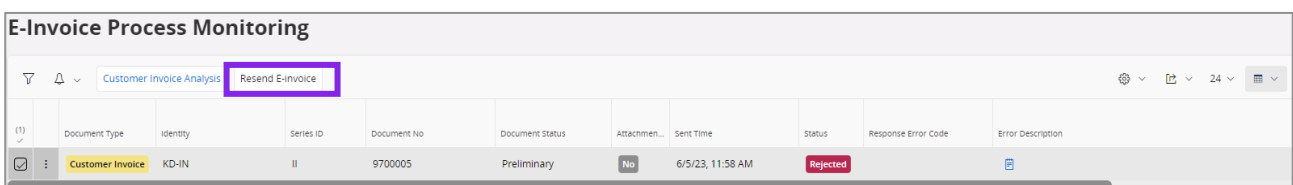
**The E-invoice Process Monitoring** Page will depict and be updated on the response information. Rejected invoices could be modified and resent.

**Set E-invoice Status to Rejected** Option is enabled for invoices in response status 'Pending' to enable any modification required and to resend the invoice to the Tax Authority.



Document Type	Identity	Series ID	Document No	Document Status	Attachmen...	Sent Time	E-Invoice Status	Response Error Code	Response Error	Error
Customer Invoice	KD-IN	II	9700008	Preliminary	No	6/12/23, 10:10 AM	Pending			

Rejected responses from the Tax Authority or invoices set to rejected could be modified and resent using the **Resend E-invoice** option.



Document Type	Identity	Series ID	Document No	Document Status	Attachmen...	Sent Time	Status	Response Error Code	Error Description
Customer Invoice	KD-IN	II	9700005	Preliminary	No	6/5/23, 11:58 AM	Rejected		

Status changes in the **E-invoice Process Monitoring** page will be updated in the Instant Invoice, sub-section of **E-invoice Information**. If the Invoice is rejected, the user also has the possibility to cancel the invoice and send a new invoice to the Tax Authority.

Regarding negative amounts in Credit and Correction invoices, Pagero handles the negative values in the invoices prior to sending invoices for Government approval.

### 13.6.3 PRINT INVOICE INCLUDING IRN AND QR CODE

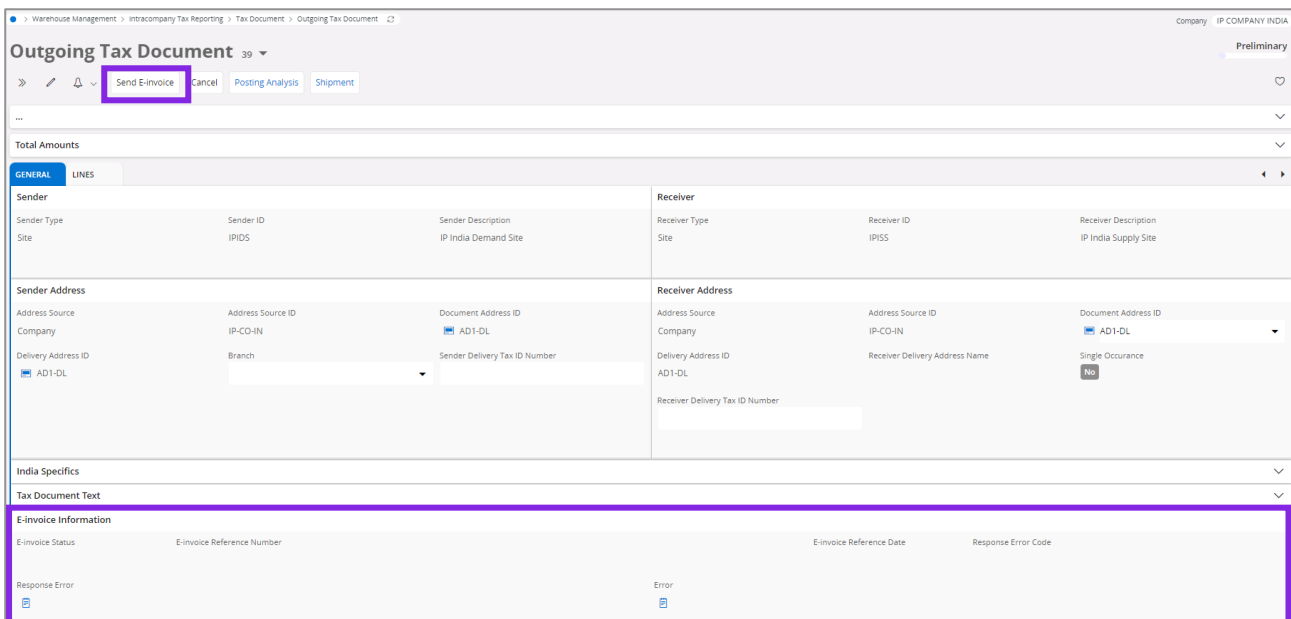
Invoices with state Accepted can be printed and sent to the customer which includes the IRN and QR-code. Upon printing the invoice, the status will be updated to PostedAuth.

If the option **Automatically Process Accepted Invoice** in the connected Process Type is enabled, after receiving an accepted response the invoice will continue the ordinary flow and be printed and posted automatically.

Refer to core documentation for more information on the E-invoice Process.

### 13.6.4 E-INVOICE FROM THE OUTGOING TAX DOCUMENT

Once the *Process Type* is set up in the **Company** basic data, the **Send E-invoice** command on the **Outgoing Tax Document** page will be enabled. Also, the new sub-section, **E-invoice Information**, in the **Outgoing Tax Document** page has been introduced and will be enabled.



The screenshot shows the 'Outgoing Tax Document' interface. At the top, there are navigation tabs: 'Send E-Invoice' (highlighted with a purple box), 'Cancel', 'Posting Analysis', and 'Shipment'. Below this is a 'Total Amounts' section. The main area is divided into 'GENERAL' and 'LINES'. Under 'GENERAL', there are sections for 'Sender' and 'Receiver' details, including 'Sender ID', 'Sender Description', 'Receiver ID', and 'Receiver Description'. There are also sections for 'Sender Address' and 'Receiver Address' with fields for 'Address Source', 'Company', 'Delivery Address ID', and 'Receiver Delivery Address Name'. At the bottom, there is an 'India Specifics' section and a 'Tax Document Text' section. The 'E-Invoice Information' section is highlighted with a purple box and contains fields for 'E-invoice Status', 'E-invoice Reference Number', 'E-invoice Reference Date', and 'Response Error Code'. There is also a 'Response Error' field with a small icon.

Create an *Outgoing Tax Document*. Go to the created *Outgoing Tax Document* and enter the Tax-related information, then deliver the *Shipment*. Once the *Shipment*, connected to the *Outgoing Tax Document*, is delivered the **Send E-Invoice** command is enabled.

When execute the **Send E-Invoice** command an XML file in IFS style format is created and placed in IFS Connect out-folder. 3rd party service provider validates the file, converts it to the required JSON format and transfers the file to the Tax Authorities. The **E-Invoice status** will be updated to Pending.

(See [Chapter 15: Taxes in intracompany goods movement](#) for more information about the creation of the *Outgoing Tax Document*)

The *Outgoing Tax Document* is also added as an entry in the **E-invoice Process Monitoring** Page. Where the option **Set E-invoice Status to Rejected** and **Resend E-Invoice** is available. Status changes in the **E-invoice Process Monitoring** page will be updated in the *Outgoing Tax Document*, sub-section **E-invoice Information**. If the E-invoice is rejected, the user also has the possibility to cancel the *Outgoing Tax Document* and send a new E-invoice to the Tax Authority.

E-invoice Process Monitoring											
Document Type	Identity	Series ID	Document No	Document Status	Sent Time	E-invoice Status	E-invoice Reference Number	E-invoice Reference Date	Response Error	Respo	
<input type="checkbox"/> : Tax Document	IPI51	TD	29	Posted	2024-02-23 09:14	Accepted	e2948668b7126f1e27240fcc2e28d891347120b4445f39156a28b9fdc8be4b8	2024-02-01 ...			
<input type="checkbox"/> : Tax Document	IPI51	TD	28	Posted	2024-02-22 11:30	Accepted	e2948668b7126f1e27240fcc2e28d891347120b4445f39156a28b9fdc8be4b8	2024-02-01 ...			
<input type="checkbox"/> : Tax Document	IPI51	TD	27	Preliminary	2024-02-22 10:31	Accepted	e2948668b7126f1e27240fcc2e28d891347120b4445f39156a28b9fdc8be4b8	2024-02-01 ...			
<input type="checkbox"/> : Tax Document	IPI51	TD	26	Preliminary	2024-02-22 08:42	Rejected					
<input type="checkbox"/> : Tax Document	IPI51	TD	25	Preliminary	2024-02-22 07:27	Rejected					
<input type="checkbox"/> : Tax Document	IPI51	TD	24	Preliminary	2024-02-21 16:10	Accepted	e2948668b7126f1e27240fcc2e28d891347120b4445f39156a28b9fdc8be4b8	2024-02-01 ...			
<input type="checkbox"/> : Tax Document	IPI51	TD	22	Preliminary	2024-02-21 15:43	Rejected					
<input type="checkbox"/> : Tax Document	IPI51	TD	21	Posted	2024-02-21 15:09	Accepted	e2948668b7126f1e27240fcc2e28d891347120b4445f39156a28b9fdc8be4b8	2024-02-01 ...			

### 13.6.5 PRINT OUTGOING TAX DOCUMENT INCLUDING IRN AND QR CODE

*Outgoing Tax Document* with **E-Invoice status** Accepted can be printed and sent to the receiver which includes the IRN and QR-code. Upon printing the *Outgoing Tax Document*, the status will be updated to **Posted** and an **Incoming Tax Document** will be automatically created as a mirror image of the *Outgoing Tax Document*.

If the option, **Automatically Process Accepted Invoice**, in the connected Process Type is enabled. After receiving an Accepted response, the *Outgoing Tax Document* will continue the ordinary flow and be printed and posted automatically.

### 13.6.6 UPLOADING RESPONSE FILE

Response File received from the 3<sup>rd</sup> party service provider should be uploaded to the IN Folder.



ReceiveInvoiceResp  
onseSampleACCEPTTEI

## 13.7 Supplier Invoice

To facilitate tax reporting for incoming invoices, in the **New Manual Supplier Invoice** assistant and **Manual Supplier Invoice** page the **E-invoice Reference Number** field is available under the More Information section. IRN could be manually entered and modified in invoice status Preliminary and PrelPosted statuses.

Financials > Supplier Invoice > New Manual Supplier Invoice

## New Manual Supplier Invoice

Header Information   Line Information   Posting Information

Company: CMWIND1   Voucher Date: 12/24/2024   Accounting Year: 2024   Accounting Period: 12   User Group: AC   Voucher Type: I   Voucher No:

PO Reference:   Receipt Reference:   Sub Contract Reference:   Invoice Advice Reference:   Project ID:   Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV   Series ID: SI   Invoice No: 35353   Currency: INR   Currency Rate: 1   Invoice Date: 12/24/2024   Arrival Date: 12/24/2024   Pay Term Base Date: 12/24/2024

Payment Terms: 0   Due Date: 12/24/2024   Plan Pay Date: 12/24/2024   Payment Reference:   Automatic Payment Authorization: No   Authorizer ID: \*

Advance Invoice:    Gross Amount:   Net Amount:   Tax Amount:

**More Information**

Reference Series:   Reference Invoice No:   Invoice Recipient: CHWGLK   Supplier Invoice Address: SUPP DOC GA   Supplier Delivery Address: SUPP DEL DL   Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL   Use Company Invoice Address for Tax:    Use Supplier Invoice Address for Tax:    Use Project Address for Tax: No   Reference Supplier:   Preliminary Code:

National Bank Code:   Nature of Business:   Creator Reference:   Tax Currency Rate: 1

Tax Withholding Currency Rate: 1   Parallel Currency Rate: 0.02   Delivery Date: 12/24/2024   Tax Invoice Series ID:   Tax Invoice No:   Tax Invoice Date:   Customs Declaration Date:

Correction Reason ID:   Correction Reason:   Branch:   Supplier Branch:   E-Invoice Reference Number:

Financials > Supplier Invoice > Manual Supplier Invoice

## Manual Supplier Invoice

Search (1) Basic   Hide invoices with status PaidPosted

InvoiceId = 207757

Sort by:   SI - 35353   1 of 1

CMWSUPIND2 - CMWSUPIND2

SI 35353

Preliminary

PO Reference	Receipt Reference	Sub Contract

Invoice Type	Series ID	Invoice No
SUPPINV	SI	35353

Pay Term Base Date	Payment Terms
12/24/2024	0 - Due Immediately

Authorizer ID	Notes	Advance Invo
*	No	No

Utility Bills	Gross Amount	Net Amount
No	10500.00	10000.00

**Line Information**

Gross Amount	Net Amount	Tax Amount
10500.00	10000.00	500.00

**More Information**

Reference Series:   Reference Invoice No:   Invoice Recipient: CHWGLK - CHWGLK

Supplier Invoice Address: SUPP DOC GA   Supplier Delivery Address: SUPP DEL DL   Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL   Use Company Invoice Address for Tax:    Use Supplier Invoice Address for Tax:

Use Project Address for Tax: No   Reference Supplier:   Preliminary Code:

National Bank Code:   Nature of Business:   Creator Reference:   Tax Currency Rate: 1   Tax Withholding Currency Rate: 1   Parallel Currency ...: 0.02

Delivery Date: 12/24/2024   Tax Invoice Series ...:   Tax Invoice No:   Tax Invoice Date:   Customs Declaration Date:

Transfer Status:   Customs Declaration Date:

Correction Reason ID:   Correction Reason:   Branch:   Supplier Branch:   E-Invoice Reference Number:

OK   Cancel

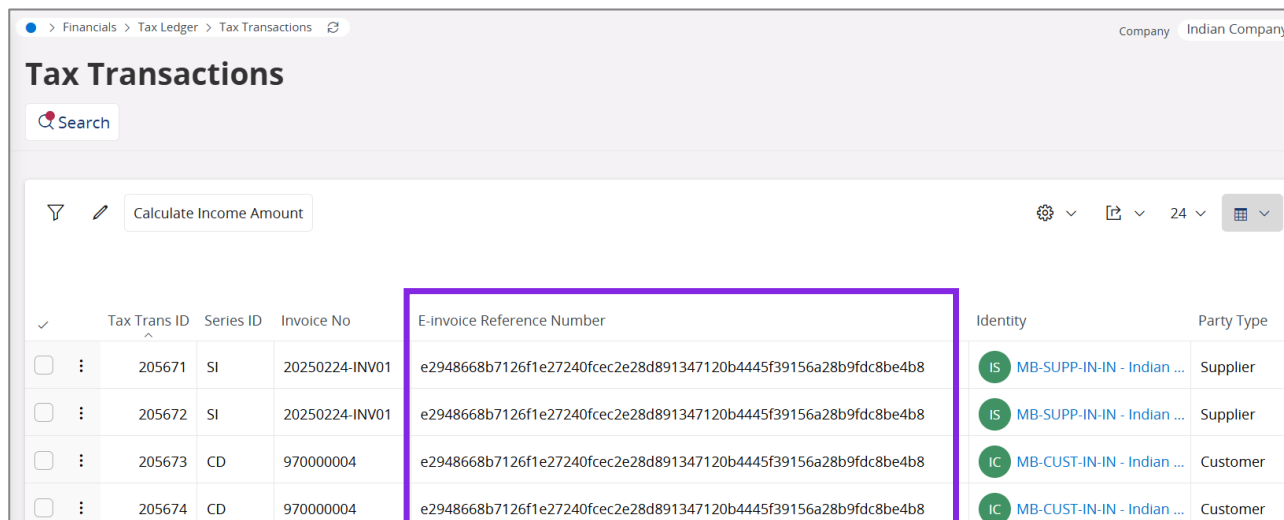
## 13.8 Update General Ledger

Follow the IFS Cloud core process to update vouchers to General Ledger (Update GL Vouchers Assistant).

### 13.9 Fetch Tax Ledger Information

Follow the IFS Cloud core process to fetch tax ledger information (*Fetch Tax Ledger Information Assistant*).

The IRN will be displayed in the **E-invoice Reference Number** field on the **Tax Transactions** page.



	Tax Trans ID	Series ID	Invoice No	E-invoice Reference Number	Identity	Party Type
<input type="checkbox"/>	205671	SI	20250224-INV01	e2948668b7126f1e27240fcec2e28d891347120b4445f39156a28b9fdc8be4b8	IS MB-SUPP-IN-IN - Indian ...	Supplier
<input type="checkbox"/>	205672	SI	20250224-INV01	e2948668b7126f1e27240fcec2e28d891347120b4445f39156a28b9fdc8be4b8	IS MB-SUPP-IN-IN - Indian ...	Supplier
<input type="checkbox"/>	205673	CD	970000004	e2948668b7126f1e27240fcec2e28d891347120b4445f39156a28b9fdc8be4b8	IC MB-CUST-IN-IN - Indian ...	Customer
<input type="checkbox"/>	205674	CD	970000004	e2948668b7126f1e27240fcec2e28d891347120b4445f39156a28b9fdc8be4b8	IC MB-CUST-IN-IN - Indian ...	Customer

### 13.10 Delimitations

- Only invoices in local currency INR are supported.
- The solution does not support the following invoice types:
  - Manual Customer Invoice
  - Interest Invoice
  - External invoice
- No support for B2C (Business to Consumer) invoices.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

### 13.11 Upgrade Handling

Following points to be considered in an upgrade.

- User responsibility to process all pending invoices before upgrade.
- If any customer was connected to the GETXML\_IN message set up before upgrade, after upgrade the company will have the process type STD-IN added to the Company/ Invoice/ Process Type field.
- If the customer defined for Indian e-invoice message set up before the upgrade, the **Customer/Invoice** tab/ Message Set Up will have the message set up as E-invoice IN. The user is required to delete this when the company defines with process type as the compliance process will be based on the Process Type.
- E-invoices sent to the Tax Authority and depicted in the Sent Invoices window/page before the upgrade will be depicted in the **E-invoice Process Monitoring** page after the upgrade.

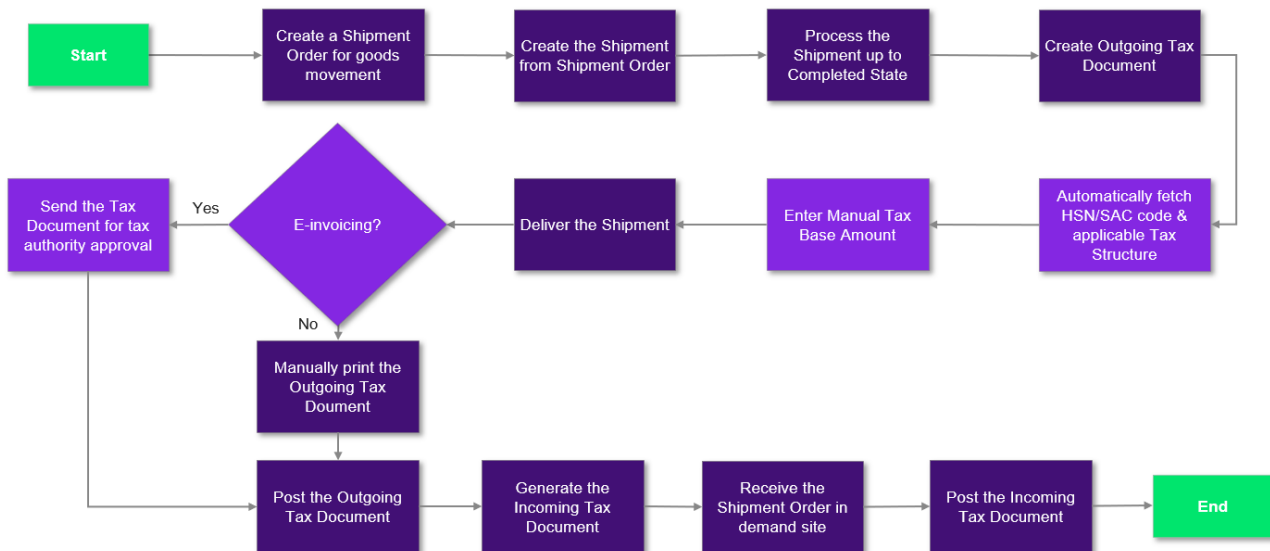
## 14 Taxes in intracompany goods movement

### 14.1 Overview Legal Requirement

According to the Goods and Services Tax (GST) law in India when goods are moved from one site of the company to another site of the same company;

- GST should be calculated and paid by the sending site.
- The receiving site can take the GST input tax credit if goods are not used for their own purposes.
- If goods are used for their purpose in the receiving site, the inventory cost at the demand site should be increased by the tax amount.
- Movement can be within the same state or between two different states.

### 14.2 Process Overview



*\*Note; E-invoicing is not supported in the IFS Cloud 23R2 release*

*Above process flow can be continued through Internal Customer Order (Demand Code IPT or DO) instead of Shipment Order as well.*

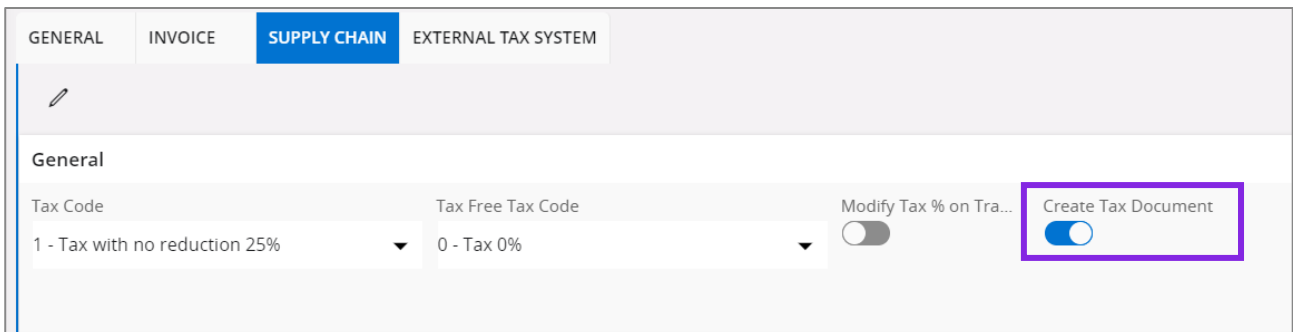
### 14.3 Solution Overview

For the logistics handling the shipment order functionality is used. For tax calculations and tax reporting, the outgoing and incoming tax documents are used and amended to fit Indian purposes. The following intracompany goods movement scenarios are supported:

- Site to Site
- Site to Remote Warehouse
- Remote Warehouse to Site
- Remote Warehouse to Remote Warehouse

## 14.4 Prerequisites

Go to the **Company/Tax Control/Supply Chain** page and enable the “Create Tax Document” parameter.



The screenshot shows the 'EXTERNAL TAX SYSTEM' configuration page with the 'SUPPLY CHAIN' tab selected. Under the 'General' section, the 'Create Tax Document' toggle switch is turned on and highlighted with a red box. Other visible fields include 'Tax Code' (1 - Tax with no reduction 25%), 'Tax Free Tax Code' (0 - Tax 0%), and a 'Modify Tax % on Tra...' toggle switch.

To enable the automatic India tax fetching logic based on HSN/SAC codes in the outgoing tax document, the Localization Control Center parameter “HSN/SAC Codes and Intra/Interstate Tax Rates Fetching” must be enabled. If the manual tax base amount should be used in the outgoing tax document, the Localization Control Center parameter “Tax Structure-Manual Tax Base Amount” should be enabled.

**Localization Control Center** HP-IN - HP India Company 2 of 3

Company: HP-IN, Name: HP India Company, Association No: , Created By: HPETSE, Localization: India

Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> : Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> : Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> : E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	Yes
<input type="checkbox"/> : HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices and tax documents, based on HSN/SAC codes on materials or ser	Yes	Yes
<input type="checkbox"/> : Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement anc	No	Yes
<input type="checkbox"/> : Indian Reverse Charge	Enables using tax codes of type "Calculated Tax" in tax structures in the procurement and sales flows, to cover the scenario where the recipient of the	Yes	Yes
<input type="checkbox"/> : Tax Collected at Source	Enabling to validate TCS applicability on Customer and Tax determination on Transaction Lines.	No	No
<input type="checkbox"/> : Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	No
<input type="checkbox"/> : Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used fo	No	No

Go to **Shipment Type/Creation** page and enable “Automatic Creation of Tax Document” parameter to create Outgoing Tax Document automatically.

CREATION
CONSOLIDATION PARAMETERS
SHIPMENT EVENTS
LOAD CONSOLIDATED SHIPMENT
CUSTOMER ORDER EVENTS
SHIPMENT ORDER

**Shipment Creation**

Customer Order \*

Not Automatic

Shipment Order \*

Not Automatic

Receipt Return \*

At Report Return

**Consolidated Shipment Creation**

**Tax Document Creation**

Automatic Creation of Tax Document

## 14.5 Define Basic Data

HSN/SAC Codes and HSN/SAC Group basic data must be set up according to [Chapter](#). A default HSN/SAC can be added to an inventory part, see [chapter 7](#).

### 14.5.1 TAX DOCUMENT SERIES

In the **Tax Document Series** page it is possible to create Tax Document Series used for grouping the Tax documents. A Tax Document can consist of a reference, a Tax Document identity, to a series and a number from that specific series. A Tax Document Series can be deleted only if it has never been used. If you enable the Default option for one Tax Document Series, that will be the default series used in the Tax Document process. It is possible to define a Tax Document Series to a specific branch or several branches. Same branch cannot be connected to several Tax Document Series. If no branch is connected to a tax document series, Default option can be used. There is also a possibility to create specific Tax Document Series only used for Non-GST. Non-GST Tax Document Series is used when the tax document is not including any Tax Code with the GST tax categories (CGST, IGST, SGST, UGST). To the Tax Document Series a Tax Document Number Series can be defined. The Series ID and Series No in the Outgoing tax Document is fetched upon Print/Post.

Warehouse Management > Intracompany Tax Reporting > Tax Document > Tax Document Series
Company IP-India-Company

**Tax Document Series**

Q Search

Tax Document Number Series
Set Default
Set Use for Non-GST

24

Series ID	Description	Default	Default Non-GST	Use for Non-GST	Default Non-GST
(1)					
<input type="checkbox"/>	TAX DOCUMENT GST	Tax Document GST	Yes	No	No
<input checked="" type="checkbox"/>	TAX DOCUMENT GST1	TAX DOCUMENT GST1	No	No	No

**TAX DOCUMENT SERIES BRANCH LIST**

Branch	Use for Non-GST	Default Non-GST
<input checked="" type="checkbox"/>		
<input type="checkbox"/>	INDDBR	

<input type="checkbox"/>	TAX DOCUMENT NONGST	Tax Document nongst	No	Yes	Yes
--------------------------	---------------------	---------------------	----	-----	-----

Country Solution India

198

Warehouse Management > Intra-company Tax Reporting > Tax Document > Outgoing Tax Document

### Outgoing Tax Document

Search (1)

395 1 of 1

Reprint Original from Archive | Posting Analysis | Shipment

Tax Document No 395	Series ID TAX DOCUMENT GST	Series No 2025026	Source Ref Type Shipment
Source Reference 305	Created Date 2025-04-24	Voucher Date 2025-04-24	Process Type STD-IN - Standard Template for Invoice Processing Type - India

Total Net Amount 10,00	Total Tax Amount 1,20	Total Gross Amount 11,20	Currency INR
---------------------------	--------------------------	-----------------------------	-----------------

**GENERAL** | LINES

Sender			Receiver		
Sender Type	Sender ID	Sender Description	Receiver Type	Receiver ID	Receiver Description
Site	IPIND	IP India Demand Site	Site	IPINS	IP India Supply Site

## 14.6 Create and process Shipment Order or Internal Customer Order (Demand Code IPT or DO)

Create a shipment order or Internal Customer Order (demand code IPT or DO) for any of the below goods movement scenarios within the same company, using IFS Cloud standard functionality.

- Site to Site
- Site to Remote Warehouse
- Remote Warehouse to Site
- Remote Warehouse to Remote Warehouse

Use a shipment type that creates a shipment when releasing the shipment order, Internal Customer Order (demand code IPT or DO) or connect the shipment order lines or Internal Customer Order to an existing shipment.

Process the connected shipment until completed state using IFS Cloud standard functionality. Create the outgoing tax document via the command in the shipment header - "Create Outgoing Tax Document". An outgoing tax document will be created in the preliminary state.

Shipment 669 1 of 1

Operations | Share | Shipment Handling Unit Structure | Shipment Inventory | Delivery Note Analysis | Document Text | Outgoing Tax Document | Completed

Create

Shipment ID 669	Site HPIN1	Source Ref Type Shipment Order	Next Step in Shipment Flow Deliver
Shipment Type NR	Created 2023-09-07	Planned Ship Date/Time	Planned Delivery Date/Time

Notes

Sender			Receiver		
Sender Type	Sender ID	Sender Description	Receiver Type	Receiver ID	Receiver Description
Site	HPIN1	Hp india site 1	Site	HPIN2	HP India site 2

Otherwise enable the **Automatic Creation of Tax Document** toggle in the Shipment Type page and proceed with the connected shipment until the Complete state, then Outgoing Tax Document will be created automatically in Preliminary state.

The address-specific GST Tax ID numbers on the sender and receiver delivery addresses will be passed to the **Sender Delivery Tax ID Number** and **Receiver Delivery Tax ID Number** fields in the outgoing tax document. Note that this is only if the address source is a Company, Supplier, or

Customer. If the address source is Person, Geo Location or Project, then the tax ID number fields will be blank and enabled for manually enter a value.

**Outgoing Tax Document** 161 1 of 1
Preliminary

[Cancel](#)
[Posting Analysis](#)
[Shipment](#)
♥

Tax Document No 161	Source Ref Type Shipment	Source Reference 669	Created Date 2023-09-07
------------------------	-----------------------------	-------------------------	----------------------------

<b>Total Amounts</b>			
Total Net Amount 0,00	Total Tax Amount	Total Gross Amount	Currency INR

**GENERAL** LINES
◀ ▶

<b>Sender</b>			<b>Receiver</b>		
Sender Type Site	Sender ID HPIN1	Sender Description Hp india site 1	Receiver Type Site	Receiver ID HPIN2	Receiver Description HP India site 2
<b>Sender Address</b>			<b>Receiver Address</b>		
Address Source	Address Source ID	Document Address ID	Address Source	Address Source ID	Document Address ID
Company	HP-IN	DOCADD1	Company	HP-IN	COM:ADD3
Delivery Address ID	Branch	Sender Delivery Tax ID Number	Delivery Address ID	Receiver Delivery Address Name	Single Occurance
COM:ADD1		COMP:GST:123456789	COM:ADD2		No
			Receiver Delivery Tax ID Number		
			454545		

## 14.7 Process Outgoing Tax Document

Once the outgoing tax document is created the default HSN/SAC code from the used inventory part will be populated on the outgoing tax document line. If the Outgoing Tax Document is created from a Shipment with source type Customer Order, the HSN/SAC Code is inherited from the Customer Order line. Based on the HSN/SAC code and if the transaction is intra or inter-state (the sender and receiver delivery addresses are within the same state or in two different states), the default goods movement tax calculation structure will be fetched to the line from the HSN/SAC Group setup. If no default Tax Calculation Structure found from the HSN/SAC Group, the taxes need to manually be entered in the Outgoing Tax Document. If any tax code in the tax calculation structure is allowed for a manual tax base, then it's possible to add a value in the **Manual Tax Base Amount** column. Editing on the outgoing tax document line is only allowed if the shipment has not yet been delivered.

Accounting Rules > Tax > HSN and SAC Basic Data > HSN and SAC Groups

## HSN and SAC Groups

Search

>> 12% - 12%

+ [Icons]

HSN/SAC Group	HSN/SAC Group Description *
12%	12%

GENERAL INFORMATION | **SUPPLY CHAIN INFORMATION**

Intra State Goods Movement Tax Calculation Structure  
INTRASTATE 12% - Intrastate 12%

Inter State Goods Movement Tax Calculation Structure  
INTERSTATE 12% - Interstate 12%

### HSN and SAC Codes Per Group

Show Only Valid Codes [Apply] Settings

HSN/SAC Codes	Valid From
BANANA - banana	2025-01-09

Warehouse Management > Intracompany Tax Reporting > Tax Document > Outgoing Tax Document

## Outgoing Tax Document

Search

>> 236

[Icons] Reprint Original from Archive Posting Analysis Shipment

Tax Document No	Series ID	Series No	Source Ref Type
236	TD-GSTIN 1	3	Shipment
Source Reference	Created Date	Voucher Date	
516	2025-01-13	2025-01-13	

### Total Amounts

Total Net Amount	Total Tax Amount	Total Gross Amount	Currency
50,00	6,00	56,00	INR

GENERAL | **LINES**

Line No	Source Ref 1	Source Ref 2	Source Part No	Source Part Description	Quantity	Price	HSN/SAC Code	Tax Calculation Structure	Sour... UoM	Net Amount	Ta
1	516	1	IPINSP1	IP India Sales Part 1	1	50,00	BANANA - banana	INTERSTATE 12% - Interstate 12%	PCS	50,00	

**Use Receiver Document Address for Tax Calculation** toggle has been introduced in the Tax Document header and the value is inherited from the connected customer order. If the Outgoing Tax Document is created from a shipment with source type Shipment order the toggle is always disabled.

Warehouse Management > Intra-company Tax Reporting > Tax Document > Outgoing Tax Document

### Outgoing Tax Document

Search (1)

>> 383 1 of 1

Reprint Original from Archive | Posting Analysis | Shipment

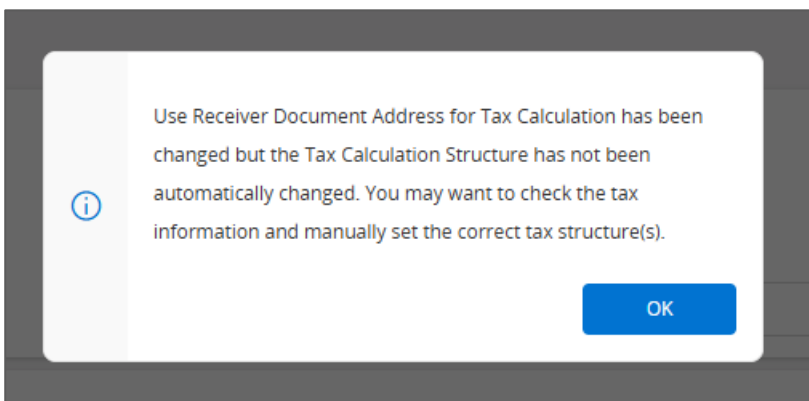
Tax Document No 383	Series ID TAX DOCUMENT GST	Series No 2025025	Source Ref Type Shipment
Source Reference 302	Created Date 2025-04-24	Voucher Date 2025-04-24	Process Type STD-IN - Standard Template for Invoice Processing Type - India

Total Amounts

GENERAL LINES

Sender			Receiver		
Sender Type Site	Sender ID IPINS	Sender Description IP India Supply Site	Receiver Type Customer	Receiver ID IP-IN-INTER-CU	Receiver Description IP India Internal Customer
Sender Address			Receiver Address		
Address Source Company	Address Source ID IP-IN-CO	Document Address ID CO-DEL-DL	Address Source Customer	Address Source ID IP-IN-INTER-CU	Document Address ID CU-DOC-DD
Delivery Address ID CO-DEL-DL	Branch INDLBR	Sender Delivery Tax ID Number	Delivery Address ID CU-DEL-DL	Receiver Delivery Address Name IP India Internal Customer	Single Occurrence <input type="checkbox"/>
			Address CO-DEL-DL 111 - Delhi	Receiver Delivery Tax ID Number	<input checked="" type="checkbox"/> Use Receiver Document Address for Tax Calculation

Enable **Use Receiver Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on the receiver document address and sender delivery address. Changing the value on the toggle gives the below information message and does not trigger a re-fetch of the taxes.



Re-fetch of tax structure is done when edit the HSN/SAC Code on the Outgoing tax document line.

When correct tax structures/tax codes, HSN/SAC codes, and manual tax base amounts are assured on the outgoing tax document, the shipment can be delivered and closed. The delivered quantity and the average cost from the inventory transaction SHIPODSIT- / SHIPODWHS- / SHIPTRAN- will then be transferred to the outgoing tax document. Taxes are then calculated. If a manual tax base amount exists, then that will be the base for tax calculations, if not, the inventory cost (Price) is considered as the tax base for the tax document tax line. If the Outgoing Tax Document is created from a Shipment with source type Customer Order, the Sales Price is considered as the tax base.

## 14.8 Print and Post Outgoing Tax Document

When the shipment is delivered and taxes have been calculated on the outgoing tax document, the tax document can be printed from the header command “Print”. An IFS Cloud standard layout of the report is available. The following additional India-specific information is added to the XML:

- HSN/SAC Code
- Sender State
- Receiver State
- Tax ID numbers:
  - Sender Delivery Tax ID Number – Takes GST value from the header field.
  - Receiver Delivery Tax ID Number – Takes GST value from the header field.
  - Sender Document Tax ID Number – Takes GST value from the sender document address ID.
  - Receiver Document Tax ID Number – Takes GST value from the receiver document address ID.
  - Company Tax ID Number – Takes PAN number from **Company/Tax Control/Invoice**

When printing the outgoing tax document, postings are triggered automatically. Postings can be viewed via the “Posting Analysis” command. Upon executing the Print command the Series ID and the Series No are generated from the connected Tax Document Series.

## 14.9 Create and Post Incoming Tax Document

Once the outgoing tax document is successfully posted, an incoming tax document is created automatically for the receiver site. The incoming tax document is a mirror image of the outgoing tax document. Post the incoming tax document from the header command “Post Tax Document”.

Incoming Tax Document 162 1 of 1 <span style="float: right;">Preliminary</span>					
<div style="display: flex; justify-content: space-between; align-items: center;"> <span>«</span> <span>🔔</span> <span>Post Tax Document</span> <span>Posting Analysis</span> <span>🔖</span> </div>					
Tax Document No	Source Ref Type	Source Reference	Created Date		
162	Shipment	669	2023-09-07		
Originating Outgoing Tax Document No					
161					
<b>Total Amounts</b>					
Total Net Amount	Total Tax Amount	Total Gross Amount	Currency		
1500,00	78,00	1578,00	INR		
<b>GENERAL</b> LINES					
<b>Sender</b>			<b>Receiver</b>		
Sender Type	Sender ID	Sender Description	Receiver Type	Receiver ID	Receiver Description
Site	HPIN1	Hp india site 1	Site	HPIN2	HP India site 2
<b>Sender Address</b>			<b>Receiver Address</b>		
Address Source	Address Source ID	Document Address ID	Address Source	Address Source ID	Document Address ID
Company	HP-IN	DOCADD1	Company	HP-IN	COM.ADD3
Delivery Address ID	Branch	Sender Delivery Tax ID Number	Delivery Address ID	Receiver Delivery Address Name	Single Occurance
COM.ADD1		COMP-GST:123456789	COM.ADD2		No
			Receiver Delivery Tax ID Number		
			454545		

## 14.10 Postings

### 14.10.1 OUTGOING TAX DOCUMENT

The following basic data are used when posting the outgoing tax document:

- Voucher Type: MPT
- Function Group: LT
- Business Events: ICBS-TAX - Intracompany Tax – Sender

Posting Type	Posting Type Description	Debit/Credit	Control type
M297	Tax Disbursed, Intracompany Part Movements	Credit	AC7 – Tax Code
M298	Counter Posting, Tax Disbursed, Intracompany Part Movements	Debit	AC1 – Fixed Value

### 14.10.2 INCOMING TAX DOCUMENT

The following basic data are used when posting the incoming tax document:

- Voucher Type: MPT
- Function Group: LT
- Business Events: ICBS-TAX - Intracompany Tax – Receiver

Posting Type	Posting Type Description	Debit/Credit	Control type
M300	Counter Posting, Tax Received, Intracompany Part Movements	Credit	AC1 – Fixed Value
M299	Tax Received, Intracompany Part Movements	Debit	AC1 – Fixed Value

In the **tax document posting analysis** page, both successful and erroneous postings can be viewed. In case of erroneous postings, when the error, the posting can be rerun through the command “Post Tax Document” in both outgoing and incoming tax documents.

Tax Document Posting Analysis 118 ▾ 1 of 1										
Tax Document No		Sender		Receiver						
118		HPIN1-RWH1		HPIN1		<b>Outgoing</b>				
Currency		Error								
INR		No								
Amounts										
Net Amount		Tax Amount		Gross Amount						
100,00		25,00		125,00						
Posting Information										
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>										
✓		Voucher No	Voucher Type	Voucher Date	Posting Type	Posting Event	Account	Amount	Error Description	Cost Center
<input type="checkbox"/>	:	2023000041	MPT	2023-08-17	M297	ICBS-TAX	2611	-25,00		
<input type="checkbox"/>	:	2023000041	MPT	2023-08-17	M298	ICBS-TAX	2611	25,00		

## 14.11 Tax Transactions

Use IFS Cloud standard functionality for updating the general ledger (**Financials/General Ledger/Update GL Vouchers**) and fetch tax transactions (**Financials/Tax Ledger/Fetch Tax Ledger Information**). On the **tax transactions** page the following India-specific information is updated from the outgoing and incoming tax document postings.

- HSN/SAC Code
- To State
- From State
- Manual Tax Base Amount
- Tax Category 1
- Tax ID numbers:

Tax Transactions Column	Mapping
Company Tax ID Number	Takes PAN number from <b>Company/Tax Control/Invoice</b>
Delivery Tax ID Number	Takes the GST value from the Receiver Delivery Tax ID Number
Invoice Tax ID Number	Takes GST value from the Receiver document address ID
Company Delivery Tax ID Number	Takes the GST value from the Sender Delivery Tax ID Number

## 14.12 Handling of Non-deductible Taxes

When moving goods between sites of the same company, if the goods received in the demand site are used for their own purpose (meaning the demand site cannot take the input tax credit), then the inventory cost applicable for the demand site should be increased by the non-deductible tax amount. In India, the most common scenario is either the taxes will be 100% deductible or 0% deductible.

### Handling non-deductible taxes for standard cost parts

When handling the standard cost parts in the purchasing flow, the non-deductible tax amount is treated as a price difference in invoice matching. New posting types are introduced to handle this difference in supplier invoice matching. Therefore, when handling non-deductible taxes for standard cost parts in intracompany goods movements, a similar approach is followed. The non-deductible tax amount is posted separately when generating tax postings for incoming tax documents, using a new posting type.

A new posting type is introduced to handle it along with tax document postings. Following new posting type is created. This will not be connected to a default account and the user needs to manually define the required account in the **posting control** page.

Posting Type	Description	Component
M303	Non-Deductible Tax, Intracompany Part Movements	INVENT

The following control types will be enabled.

- AC1 – Fixed Value
- AC7 – Tax Code

### Calculation of non-deductible taxes

In India, when moving goods between sites/remote warehouses of the same company, the same tax code will be applicable for both sites. Therefore, when creating the tax postings on the demand site, the system should check if the applicable tax code has any non-deductible tax percentage. If so, the non-deductible tax should be posted using the above new posting type.

The inventory postings created for the logistics movements will not have any impact. They will be created as it is, and the non-deductible tax amount will be posted through the tax postings of the incoming tax document. Please see the below example for more information.

- Assume parts are moved between two sites of the same company.
- Standard cost of the part in both sites is 100
- Quantity moved between sites 10

100% Deductible Scenario

- Applicable tax code in both sites 10% and 100% deductible
- Calculated total tax %:  $100 \times 10 \times 10\% = 100$
- Deductible%:  $100 \times 100\% = 100$
- Nondeductible%:  $100 \times 0\% = 0$

Tax document postings

Supply Site	Outgoing Tax Document		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming Tax Document		Dr	Cr
		M299	100	
		M300		100

<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right; padding-right: 10px;">2610</td> <td style="border-top: 1px solid black; border-right: 1px solid black; padding: 5px;">M297</td> <td style="padding: 5px;">100</td> </tr> </table>	2610	M297	100	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right; padding-right: 10px;">2699</td> <td style="border-top: 1px solid black; border-right: 1px solid black; padding: 5px;">M298</td> <td style="padding: 5px;">100</td> <td style="border-top: 1px solid black; border-right: 1px solid black; padding: 5px;">M300</td> <td style="padding: 5px;">100</td> </tr> </table>	2699	M298	100	M300	100
2610	M297	100							
2699	M298	100	M300	100					
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right; padding-right: 10px;">2641</td> <td style="border-top: 1px solid black; border-right: 1px solid black; padding: 5px;">M299</td> <td style="padding: 5px;">100</td> </tr> </table>	2641	M299	100						
2641	M299	100							

Since there are no non-deductible taxes involved, nothing is to be posted under the non-deductible posting type (M303).

0% Deductible Scenario

- Applicable tax code in both sites 10% and 0% deductible
- Calculated total tax %:  $100 \times 10 \times 10\% = 100$
- Deductible%:  $100 \times 0\% = 0$
- Non-deductible%:  $100 \times 100\% = 100$

### Tax Document Postings

Supply Site	Outgoing Tax Document		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming Tax Document		Dr	Cr
		M303	100	
		M300		100

2610	2699
M297      100	M298    100    M300      100

Acc XXXX	
M303    100	

Since the taxes are 100% non-deductible, the full non-deductible tax amount is posted against M303 under the incoming tax document in the demand site.

### Handling of Multiple Taxes

The above examples are mainly for the basic scenario where you have one single tax code. But the most practical scenario would be to have multiple tax codes (defined in tax structures) with different deductible tax percentages in each of them. The below example explains how the postings should be created for multiple tax scenarios.

- Assume parts are moved between two sites of the same company.
- Standard cost of the part in both sites is 100
- Quantity moved between sites 10

The tax Structure used in the goods movement has the following tax codes:

- Tax code1 - 10% and 40% deductible
- Tax code2 – 20% and 100% deductible
- Tax code3 – 15% and 0% deductible

Taxes will be calculated as follows for the above tax codes

Tax Code	Tax Base Amount	Total Tax Amount	Deductible Amount	Nondeductible Amount
Tax code1 - 10% & 40% deductible	100 x 10 = 1000	1000 x 10% = 100	100 x 40% = 40	100 x 60% = 60
Tax code2 – 20% & 100% deductible	100 x 10 = 1000	1000 x 20% = 200	200 x 100% = 200	200 x 0% = 0

Tax code3 – 15% & 0% deductible	100 x 10 = 1000	1000 x 15% = 150	150 x 0% = 0	150 x 100% = 150
---------------------------------	-----------------	------------------	--------------	------------------

### Tax Document Postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	
		M297		200
		M298	200	
		M297		150
		M298	150	

Demand Site	Incoming TD		Dr	Cr
		M299	40	
		M303	60	
		M300		100
		M299	200	
		M300		200
		M303	150	
		M300		150

2610	2699
M297      100 M297      200 M297      150	M298    100    M300    100 M298    200    M300    200 M298    150    M300    150
Acc XXXX	2641
M303    60 M303    150	M299    40 M299    200

\*\*\*Even though the two sites have different standard costs, still the taxes and non-deductible taxes should be calculated based on the cost of the supply site. This is because when goods are sent from the supply site, it's the supply site cost that should be considered as the applicable price/cost for the demand site.

### Handling of non-deductible taxes for weighted average/FIFO/LIFO parts

For the weighted average/FIFO/LIFO parts, the non-deductible tax amount should be absorbed as a part of the inventory cost for the demand site. Therefore, it was decided to add the non-deductible tax amount to the INTORDTR transaction created against the demand site at the point of delivering the goods from the supply site. When calculating the new WA cost applicable for the demand site it

will automatically consider the non-deductible tax portion which is already absorbed into the INTORDTR transaction.

A new posting type needs to be introduced to handle it along with tax document postings. Following new posting type is created. This will not be connected to a default account and the user needs to manually define the required account in the **posting control** page.

Posting Type	Description	Component
M304	Non-Deductible Tax, Order Transit	INVENT

The following control types will be enabled.

- AC1 – Fixed Value
- AC7 – Tax Code

This is how the posting should be created in WA scenario.

Example:

- Assume parts are moved between two sites of the same company.
- WA cost of the part in Supply sites is 100
- Quantity moved between sites is 10
- WA cost of the part in-demand site is 200 and the existing qty in-demand site is 10.
- Applicable tax code in both sites 10% and 40% deductible
  - Calculated total tax %:  $100 \times 10 \times 10\% = 100$
  - Deductible%:  $100 \times 40\% = 40$
  - Non-deductible%:  $100 \times 60\% = 60$

**Created inventory transactions:**

Note: Bellow sample is done for Shipment Order scenario and same functionality will apply for Internal Customer Order (Demand Code IPT, Distribution Order) when moving the goods within same company.

Supply Site	SHIPODSIT- - Deliver Shipment Order to a site in the same company	Dr	Cr
		M4 1000	
		M1	1000

Demand Site	INTORDTR - Move to Internal Order Transit due to Issue *** This is how it will work after handling the ND tax	Dr	Cr
		M3 1060	
		M4	1060
		M4 60	
		M156	60

New weighted average applicable to the demand site =  $(1060 + (200 \times 10))/20 = 153$

Total amount to be posted = 153 x 10 = 1530

Demand Site	SHIPODSIT+ - Receive Shipment Order from a site in the same company			Dr	Cr
				M1	1530
				M3	

**T Accounting**

1400			
		M1	1000
M3	1060		
M1	1530	M3	1530
2590		2530	

1405			
M4	1000		
		M4	1060
M4	60		
1060		1060	

\*\*\* Inventory value increased by 60 (2590 – 2530)

	M156	60
--	------	----

**Tax Document Postings**

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming TD		Dr	Cr
		M299	40	
		M300		40
		M304	60	
		M300		60

2610			
		M297	100

2699			
M298	100	M300	40
		M300	60

	2641	
M299	40	
	XXXX	
M304	60	

### Handling of Different Scenarios

The goods movement using shipment order can be done for different scenarios like Site to Site, Site to Remote Warehouse, Remote Warehouse to Remote Warehouse, etc. But the non-deductible tax handling should be done only for the goods movements between two sites. This means only for the scenarios where the following set of transactions are created.

- Supply Site: SHIPODSIT- - Deliver Shipment Orders to a site in the same company.
- Demand Site: INTORDTR - Move to Internal Order Transit due to Issue.
- Demand Site: SHIPODSIT+ - Receive Shipment Order from a site in the same company.

Some example scenarios where the above transactions are created:

- Movement between two sites of the same company
- Movement from a site to an RWH of another site of the same company
- Movement between two RWHs of two sites of the same company

Apart from the above scenarios, all the other scenarios are similar to goods movement between two locations of the same site, and non-deductible taxes need not be calculated for such scenarios.

### 14.13 Delimitations

- Shipment order is not considered in planning engines.
- Tax document is not supported for non-inventory parts or no-parts.
- Manual entering of multiple tax codes in **outgoing tax document tax** dialog is not supported, only single tax code or tax calculation structure.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 15 Business Reporting Infrastructure for Tax Reporting

### 15.1 Overview Legal Requirement

According to the Central Goods and Services Tax Act, 2017 issued by the Ministry of Law and Justice of India, several tax reports in different templates should be submitted by the Indian juridical Persons.

The reports are to be created in Excel format and then uploaded manually to the Tax Authority's portal or automatically with the support of a 3<sup>rd</sup> party service provider.

The following table summarizes the required reports.

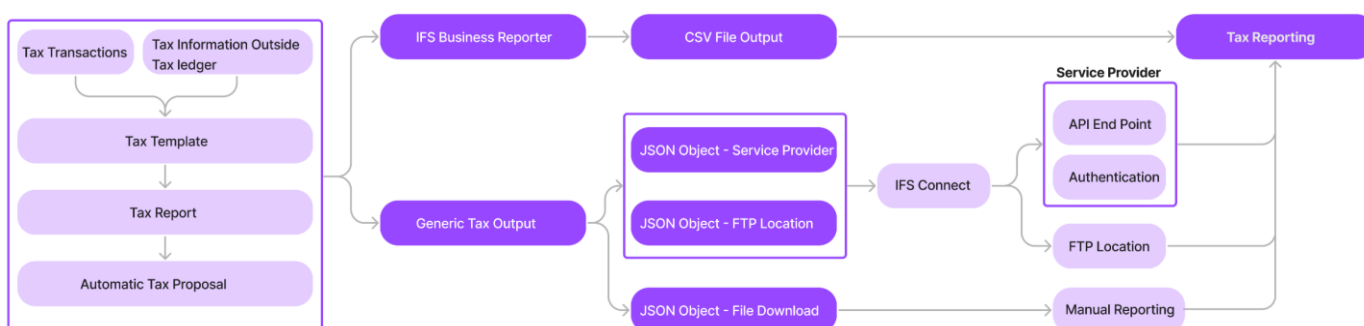
Return Form	Particulars	Frequency	Due Date
<a href="#">GSTR-1</a>	Details of outward supplies of taxable goods and/or services effected	Monthly	10th of the next month
<a href="#">GSTR-2</a>	Details of inward supplies of taxable goods and/or services effected claiming input tax credit.	Monthly	15th of the next month
<a href="#">GSTR-3</a>	Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of the amount of tax.	Monthly	20th of the next month
<a href="#">GSTR-3B</a>	Simple return for Jul 2017- Mar 2018	Monthly	20th of the next month
<a href="#">GSTR-4</a>	Return for compounding taxable person	Quarterly	18th of the month succeeding quarter
<a href="#">GSTR-5</a>	Return for Non-Resident foreign taxable person	Monthly	20th of the next month
<a href="#">GSTR-6</a>	Return for Input Service Distributor	Monthly	13th of the next month
<a href="#">GSTR-7</a>	Return for authorities deducting tax at source.	Monthly	10th of the next month
<a href="#">GSTR-8</a>	Details of supplies affected through e-commerce operator and the amount of tax collected	Monthly	10th of the next month

<a href="#">GSTR-9</a>	Annual Return	Annually	31st December of the next financial year
GSTR-9A	Annual Return	Monthly	31st December of the next financial year
<a href="#">GSTR-10</a>	Final Return	Once. When registration is cancelled or surrendered	Within three months of the date of cancellation or date of cancellation order, whichever is later.
<a href="#">GSTR-11</a>	Details of inward supplies to be furnished by a person having UIN and claiming refund	Monthly	28th of the month following the month for which the statement is filed

## 15.2 Process Overview



## 15.3 Solution Overview



Indian tax reporting should be done using the Excel file format. There are several files required to be reported and each file should consist of several sheets. In order to provide a flexible solution that can be sustainable to the changing requirements and the large number of reporting formats, IFS Business Reporter is used to support the Tax Reporting Solution in IFS India Solution.

The existing core Information Sources, **Tax Ledger Item** and **Tax Ledger Proposal Transaction** are enriched with Indian information fields in order to support the above tax reporting requirements. Accordingly, the below Indian-specific information fields are added to the said Information Source.

- HSN/SAC Code and Description
- Manual Tax Base Amount
- From State and To State Details
- Invoice Tax ID Number
- Delivery Tax ID Number
- Company Delivery Tax ID Number
- Tax Category 1
- Price QTY
- Price UOM
- Tax Calculation Structure and Description
- Single Occurrence Behavior
- Enclosure Series ID
- Enclosure No
- Supply Type Code

From 25R1 version, E-invoice Reference Number, previously called IRN and available as Indian-specific information, is available as core Information Source.

As a Performance Improvement, incremental fetching is enabled for **Tax Ledger Item** and **Tax Ledger Proposal Transaction** Information Sources. Accordingly, the user is now given the ability to update new information in a designed tax report at their own discretion, via using the Data Mart option in Access Types. Via designing Tax Reports using the Data Mart option, the user can prevent unnecessary refreshing of data, every time a report is run and thereby, ensure that information is fetched faster.

Moreover, to support external third-party reporting, the above Indian information fields are also added to the **Generic Tax Template (S103)**. Once an Automatic Tax Proposal is created using a Tax Report that is based on Generic Tax Template (S103), a JSON object will be created by clicking, the **Create Generic Output** Command. The Generic Tax Output is available in different output options as follows,

- **Service Provider** - To create and Integrate JSON objects with third-party service providers' REST Endpoints.
- **Server Directory** - To create JSON object in FTP Server Location.
- **Download** - To create JSON objects in the end-user's client machine.

## 15.4 Prerequisites

- The company must be set up to use Indian localization, see the [Company Setup](#) chapter.
- IFS Business Reporter must have been installed.

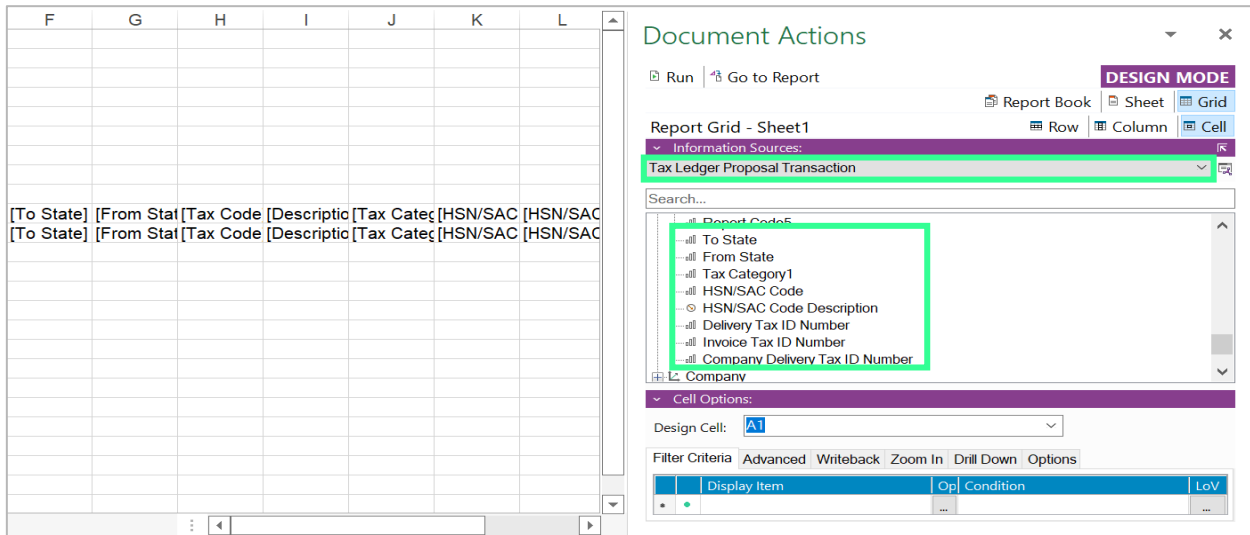
## 15.5 Create Tax Proposals

The reports are created based on tax proposals making it possible to regenerate the same report again avoiding mistakenly duplicating the records in the reports.

Open the **Automatic Tax Proposal** Page via **Financials/Tax Ledger/ Automatic Tax Proposals**. Using IFS Cloud core functionality create tax proposals for the intended reports.

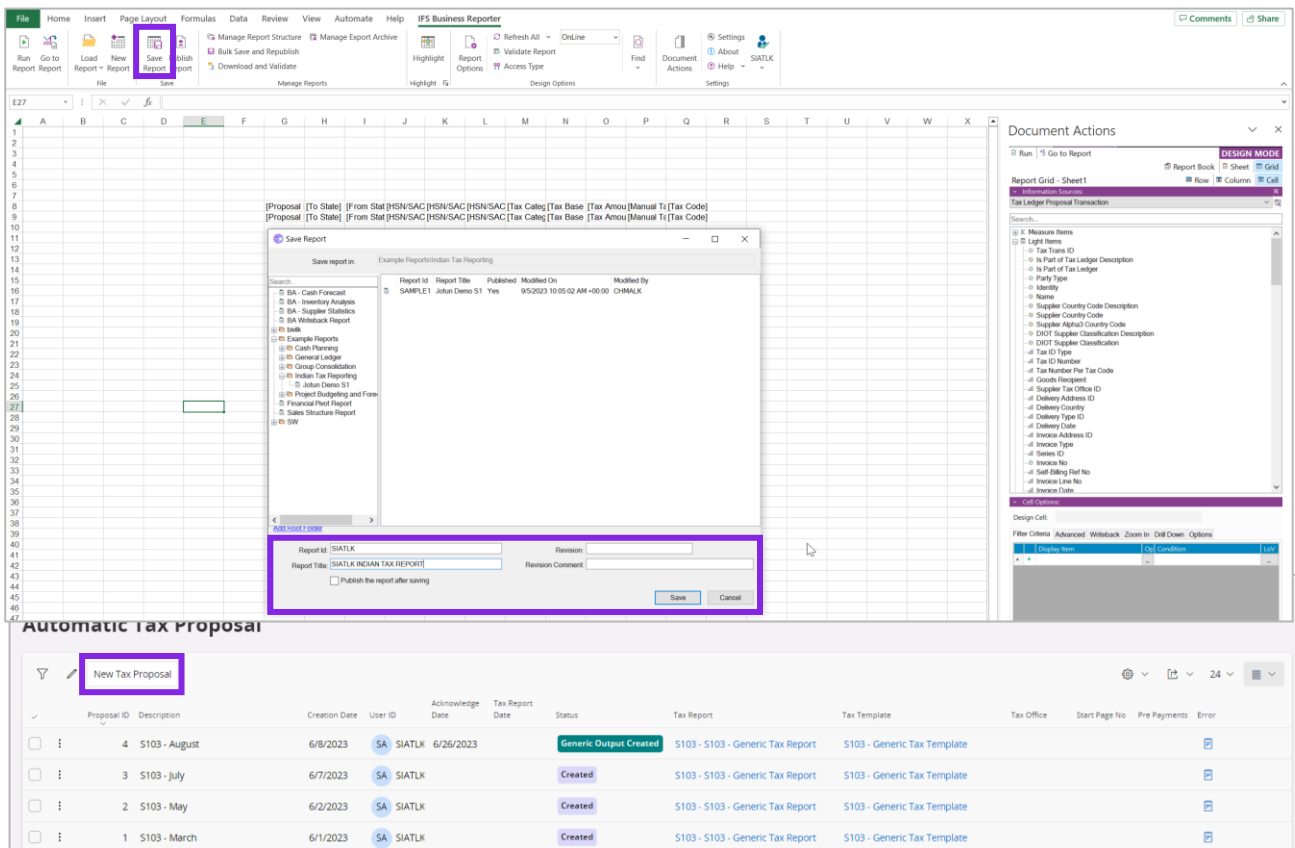
## 15.6 Design Reports

Tax Reports shall be created using IFS Business Reporter, utilizing the Information Source, **Tax Ledger Proposal Transaction**. The data in this information source are retrieved from the **Automatic Tax Proposals** page.



## 15.7 Save Reports

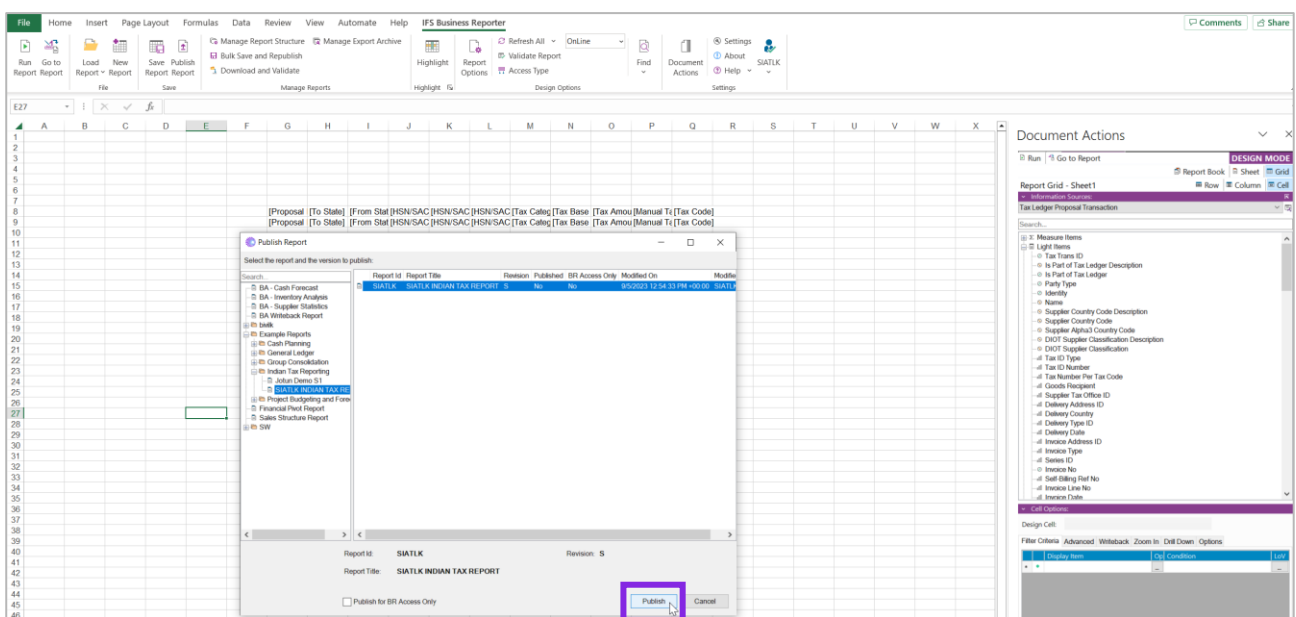
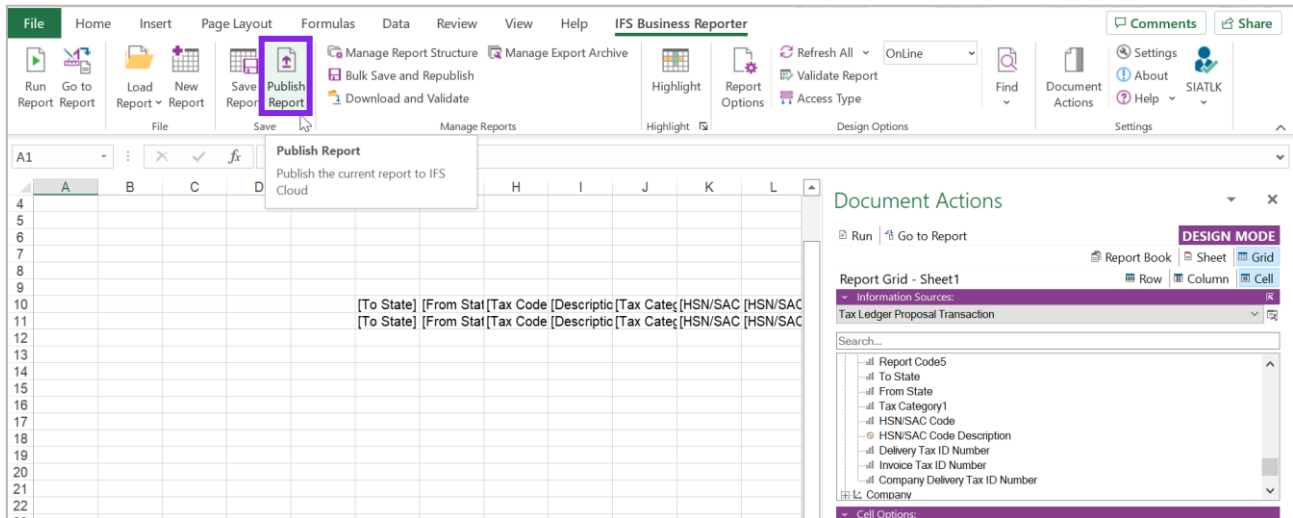
The user can save the designed reports for future reference in IFS Business Reporter.



Proposal ID	Description	Creation Date	User ID	Acknowledge Date	Tax Report	Status	Tax Template	Tax Office	Start Page No	Pre Payments	Error
4	S103 - August	6/8/2023	SA	SIATLK	6/26/2023	Generic Output Created	S103 - S103 - Generic Tax Report	S103 - Generic Tax Template			
3	S103 - July	6/7/2023	SA	SIATLK		Created	S103 - S103 - Generic Tax Report	S103 - Generic Tax Template			
2	S103 - May	6/2/2023	SA	SIATLK		Created	S103 - S103 - Generic Tax Report	S103 - Generic Tax Template			
1	S103 - March	6/1/2023	SA	SIATLK		Created	S103 - S103 - Generic Tax Report	S103 - Generic Tax Template			

## 15.8 Publish Reports

It is possible to publish the designed reports in the IFS Business Reporter. The published reports will be available in the Order Reports functionality in IFS applications. Provide a suitable name when publishing the report.



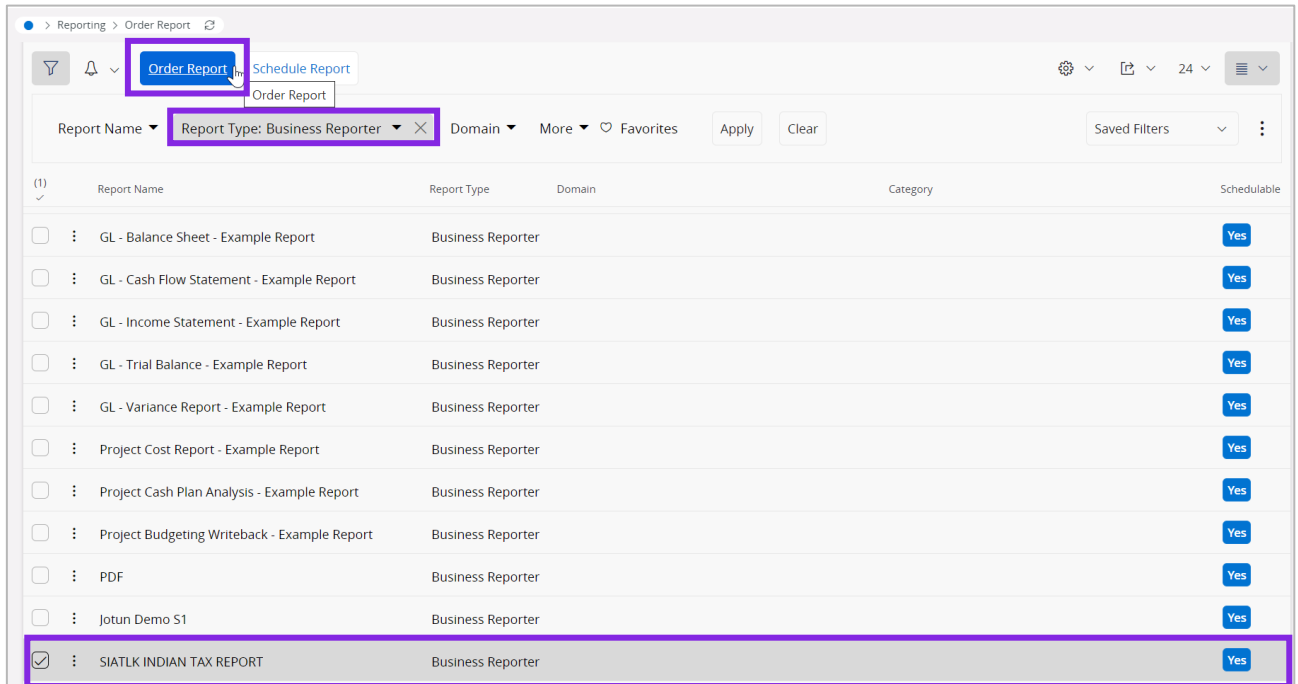
## 15.9 Order Report

Once the Report is Published, the user can order the report in IFS Cloud.

Below are the steps that must be followed to Order the report:

1. Open the **Order Report** page.
2. Query for the value **Business Reporter** for the **Report Type** column.
3. Find the name of the report that was given when publishing the report.

4. Click Order Report to open the **Order Report** dialog box.



The screenshot shows the 'Order Report' dialog box with a list of reports. The 'SIATLK INDIAN TAX REPORT' is selected. The dialog box includes a search bar, a filter dropdown, and a table of reports.

Report Name	Report Type	Domain	Category	Schedulable
GL - Balance Sheet - Example Report	Business Reporter			Yes
GL - Cash Flow Statement - Example Report	Business Reporter			Yes
GL - Income Statement - Example Report	Business Reporter			Yes
GL - Trial Balance - Example Report	Business Reporter			Yes
GL - Variance Report - Example Report	Business Reporter			Yes
Project Cost Report - Example Report	Business Reporter			Yes
Project Cash Plan Analysis - Example Report	Business Reporter			Yes
Project Budgeting Writeback - Example Report	Business Reporter			Yes
PDF	Business Reporter			Yes
Jotun Demo S1	Business Reporter			Yes
<b>SIATLK INDIAN TAX REPORT</b>	Business Reporter			Yes

5. The required parameters, as included when designing the report, will appear in the **Report Parameters** tab of the dialog. Enter those parameter values for the intended report.

6. Click the Finish button to execute the report.



The screenshot shows the 'Order Report - SIATLK INDIAN TAX REPORT' dialog box. The 'Report Parameters' tab is active, and the 'Finish' button is highlighted.



The screenshot shows the 'Order Report - SIATLK INDIAN TAX REPORT' dialog box. The execution status is displayed, and the 'Run Again' and 'Show in Background Jobs' buttons are visible.

Report **SIATLK INDIAN TAX REPORT** will be executed shortly through Business Reporter Execution Server. A background job assigned with ID **20689119** successfully created.

[Run Again](#) [Show in Background Jobs](#)

## 15.10 Delimitations

No known.

## 16 Support Handling of HSN/SAC Codes in External Invoice for Customer and Supplier

### 16.1 Overview Legal Requirement

Enabling the use of HSN/SAC code in External Supplier Invoices and External Customer Invoices.

### 16.2 Process Overview



### 16.3 Solution Overview

HSN/SAC codes are added to standard IFS External File Templates. This is a generic development and not controlled by a LCC parameter.

On the supplier side, it is added to STDSIN1 and STDSIN2. On the Customer side, it is added to STDCIN1 and STDCIN2.

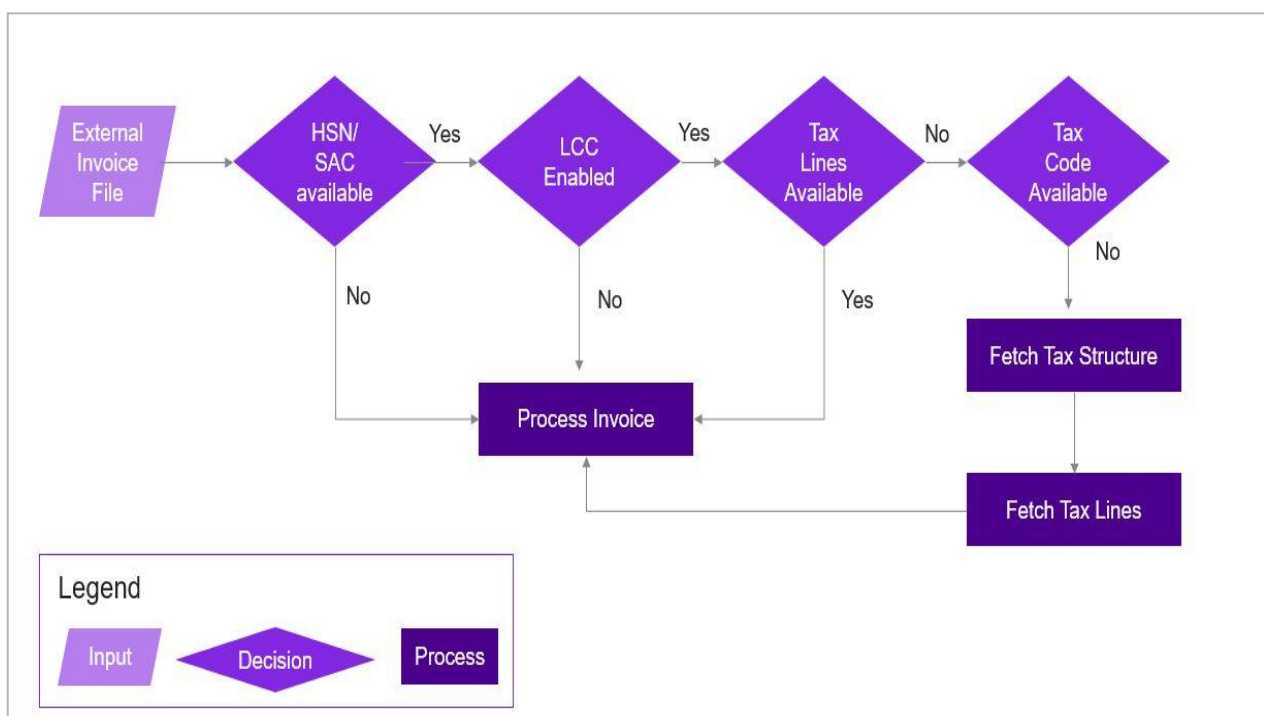
In Standard Template 1 (STDSIN1, STDCIN1) it is added at the line level which is record type I.

Record Type ID	Column ID	Description	Data Type	Column No	Start Position
I	MAN_TAX_LIABILITY_DATE	Manual Tax Liability Date	DATE	13	
I	INVOICE_TYPE	Invoice Type	STRIN	14	
I	VAT_PARALLEL_AMOUNT	Tax Parallel Amount	NUME	15	
I	NET_PARALLEL_AMOUNT	Net Parallel Amount	NUME	16	
I	INCOME_TYPE_ID	Income Type Identity	STRIN	17	
I	CORRECTION_REASON_ID	Correction Reason ID	STRIN	18	
I	CORRECTION_REASON	Correction Reason	STRIN	19	
I	HSN_SAC_CODE	HSN/SAC Code	STRIN	20	
O	LINE_TYPE	Line Type	STRIN	1	
O	INVOICE_NO	Invoice No	STRIN	2	
O	NAME	Name	STRIN	3	

In Standard Template 2 (STDSIN2, STDCIN2) all the items are taken as 'Record Type' A. HSN/SAC code is added as the last item.

	Record Type ID	Column ID	Description	Data Type	Column No	Start Position
:	A	ADDITIONAL_REFERENCE	Additional Reference	STRIN	129	
:	A	PARALLEL_CURR_RATE	Parallel Currency Rate	NUMF	130	
:	A	PARALLEL_DIV_FACTOR	Parallel Div Factor	NUMF	131	
:	A	VAT_PARALLEL_AMOUNT	Tax Parallel Amount	NUMF	132	
:	A	NET_PARALLEL_AMOUNT	Net Parallel Amount	NUMF	133	
:	A	PARALLEL_AMOUNT	Parallel Amount	NUMF	134	
:	A	INCOME_TYPE_ID	Income Type Identity	STRIN	135	
:	A	INVOICE_ADDRESS_ID	Invoice Address ID	STRIN	135	
:	A	CORRECTION_REASON_ID	Correction Reason ID	STRIN	136	
:	A	CORRECTION_REASON	Correction Reason	STRIN	137	
:	A	HSN_SAC_CODE	HSN/SAC Code	STRIN	138	

Tax Structure is fetched depending on certain conditions as explained below diagram. This part is Indian-specific and controlled by mandatory LCC parameter 'HSN/SAC Codes and Intra/Inter State Tax Rates Fetching'.





## 16.7 Check if there is a Tax Code in Invoice Lines

There should not be any Tax Code in Invoice Lines in the External Invoice File to fetch the Tax Structure.

```

$STDSN1withoutTwithHSN.txt - Notepad
File Edit Format View Help
H;NIWA:IND:SUP;NIWA-P101;2023-06-20;SUPPEXT;2023-06-20;2023-06-20;2023-06-20;0;INR;;*;I;;;2023-06-20;;;;;;;;;;;;;2023-06-20;;;;;;;;;;
I;NIWA:IND:SUP;NIWA-P101;1;1000;1000;110;110;;;;;;;;;;;;;89011010.VESSEL
  
```

## 16.8 Fetch Tax Structure

If LCC is Enabled and HSN/SAC code is available and Tax Lines not present and Tax code not present in Invoice lines, the corresponding Tax Structure will be fetched according to the default states of the company and Supplier/Customer. (How tax structure works with HSN/SAC codes and states, refer to [HSN/SAC Codes Basic Data Setting and Fetch Tax Structure via HSN/SAC Codes](#))

### External Supplier Invoice Line Information 394 - Z1 - SUPPEXT ▾ 1 of 1

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Load ID	Invoice No	Invoice Type	Supplier	Invoice Load Status
394	Z1	SUPPEXT	<span style="background-color: #007bff; color: white; border-radius: 50%; padding: 2px 5px;">NI</span> NIWA:IND:SUP - NIWADK India Sup...	<span style="background-color: #007bff; color: white; padding: 2px 5px;">Loaded</span>

#### External Supplier Invoice Lines

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		HSN/SAC Code	Tax Calculation Structure	Line ID	Income Type Identity	Delivery Type	Tax Code
<input type="checkbox"/>	:	89011010.VESSEL - vessel	INTRA_STATE	1			

## 16.9 Fetch Tax Lines

When the Tax Structure is fetched according to HSN/SAC codes and states, the tax lines corresponding to the Tax Structure will be fetched.

**External Supplier Invoice Tax Information** 394 - Z1 - SUPPEXT 1 of 1

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Load ID	Invoice No	Invoice Type	Supplier
394	Z1	SUPPEXT	 NIWA:IND:SUP

**Tax Information**

🔍 + ✎

<input checked="" type="checkbox"/>		Tax ID	Currency	Tax Code	Tax (%)	Tax Amount	Tax Amount in Parallel Currency	Tax Amount in Accounting Currency
<input type="checkbox"/>	:	1	INR	GST5	5	50.00		50.00
<input type="checkbox"/>	:	2	INR	D6	6	60.00		60.00

What is explained above works for both External Supplier Invoice and External Customer Invoices.

### 16.10 Delimitations

- Works for text files
- Not handled for IFS message handling such as EDI/MHS
- Not handled for e-Invoice flow

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 17 Subcontractor Name and Subcontractor GST Number in Supplier Invoice

### 17.1 Overview Legal Requirement

Some companies in India want to record information of sub-contractors in the supplier invoice in order to identify the GST credit when reimbursing the sub-contractor's invoice to the main supplier. That means it is possible for any of the main supplier / main-contractor to opt for sub-contracting activities and thereby provide invoices to the Buyer with sub-contracting invoices. In such case, the company takes **credit of tax** from the sub-contractor's invoice.

Example:

YYY - Main Contractor took Subcontractor activity from XXX on behalf of the buyer.				
	<b>HSN</b>	<b>Net Amount</b>	<b>Tax</b>	<b>Gross Amount</b>
XXX Subcontractor	13455	1,000.00	100	1,100.00

YYY - The Main Supplier is sending the Invoice to the Buyer. The buyer is entering the Invoice as follows.						
	<b>HSN</b>	<b>Net Amount</b>	<b>Tax</b>	<b>Gross Amount</b>	<b>Subcontractor Name</b>	<b>Subcontractor Tax ID Number</b>
Line 1	13455	1,000.00	<b>100.00</b>	1,100.00	XXX	GSTIN:123456
Line 2	45557	500.00	50.00	550.00		
				<b>1,650.00</b>		

Buyer can claim the Tax Credit of 100 (Line 1) when filing their Tax Liability.

### 17.2 Process Overview



### 17.3 Solution Overview

To handle this requirement, **two new editable columns** are implemented in the **Manual Supplier Invoice line level** and those columns are visible in **the Tax Transaction Page** for getting GST credit when there is a reimbursement of sub-contractor's invoice to the main supplier/main contractor.

1. Subcontractor Name
2. Subcontractor Tax ID Number

### 17.4 Prerequisites

- The company must be set up to use Indian localization, see the [Company Setup](#) chapter with the mandatory parameter **“HSN/SAC Codes and Intra/Inter state Tax Rates Fetching”** automatically enabled in the **Company / Localization Control Center**.

### 17.5 Enter the Subcontractor Name and Subcontractor Tax ID Number in the Manual Supplier Invoice

Enter a supplier invoice following the standard process and enter the Subcontractor Name and Subcontractor Tax ID Number whenever applicable.

#### New Manual Supplier Invoice

○ Header Information
● Line Information
○ Posting Information

Invoice							
Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
CHBELK INDIA PVT LTD	CHBELK SUP IN	SI	INV 001	INR			

Line Information				
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amo...	Cost Amount
81000.00	60000.00	21000.00	0.00	60000.00

**Lines**

+  Tax Lines
 

 24

(1) ✓	Line ID	Description	HSN/SAC Code	Tax Calculation Structure	Net Amount	Subcontractor Name	Subcontractor Tax ID Number	Multiple Tax Lines	Tax Code
<input checked="" type="checkbox"/>	1	Premium Tire	TIRE - TIRE-99000	INTER TS	10000.00			Yes	
<input type="checkbox"/>	2	Super Tires	TIRE - TIRE-99000	INTER TS	50000.00	XXX PVT LTD	GST8899636363	Yes	

Subcontractor Name and Subcontractor TAX ID Number columns are implemented in the below pages.

- **Manual Supplier Invoice Assistance**
- **Manual Supplier Invoice Page**
- **Posting Proposal Page**

**Note:** The user can edit these fields when the invoice is in a Preliminary State.

- **Supplier Invoice Analysis**
- **Posting Proposal Analysis**
- **Tax Transactions Page**

## 17.6 Update General Ledger

Follow the IFS Cloud core process to update vouchers to General Ledger (*Update GL Vouchers Assistant*).

## 17.7 Fetch Tax Ledger Information

Follow the IFS Cloud core process to fetch tax ledger information (*Fetch Tax Ledger Information Assistant*).

Users can check the details related to the invoices which are connected to the subcontractor Name and Subcontractor Tax ID Number via the **Tax Transaction** Page and create the Tax Reports to claim Tax Credits applicable.

Tax Transactions							
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <span>Validate Tax ID Number</span> <span>Voucher Details</span> <span>Modify Tax Transactions</span> <span>Include Tax Proposal Item</span> <span>Calculate Income Amount</span>							
(1) ✓	Invoice No	Subcontractor Name	Subcontractor Tax ID Number	Tax Trans ID	Identity	Party Type	
<input type="checkbox"/>	INV 001	XXX PVT LTD	GST8899636363	333237	CS CHBELK SUP IN - CHBELK SUP IN	Supplier	
<input type="checkbox"/>	INV 001	XXX PVT LTD	GST8899636363	333239	CS CHBELK SUP IN - CHBELK SUP IN	Supplier	
<input type="checkbox"/>	INV 001	XXX PVT LTD	GST8899636363	333240	CS CHBELK SUP IN - CHBELK SUP IN	Supplier	
<input type="checkbox"/>	INV 001			333236	CS CHBELK SUP IN - CHBELK SUP IN	Supplier	
<input type="checkbox"/>	INV 001			333238	CS CHBELK SUP IN - CHBELK SUP IN	Supplier	
<input checked="" type="checkbox"/>	INV 001			333241	CS CHBELK SUP IN - CHBELK SUP IN	Supplier	

## 17.8 Delimitations

No known.

## 18 Input Service Distribution (ISD)

### 18.1 Overview Legal Requirement

Section 2(61) of the CGST Act defines Input Service Distributor to mean “an office of the supplier of goods or services or both which receives tax invoices issued under section 31 towards the receipt of input services and issues a prescribed document to distribute the credit of Central tax, State tax, integrated tax or Union territory tax paid on the said services to a supplier of taxable goods or services or both having the same Permanent Account Number as that of the said office;”

An Input Service Distributor (ISD) is defined under Section 2(61) of the CGST Act, 2017, as an office of a supplier of goods or services that receives tax invoices for input services and distributes the tax paid known as the Input Tax Credit (ITC), to such branches on a proportional basis. The branches can have different GSTINs but must have the same PAN as that of ISD. Input Service Distributor has to compulsorily register as “ISD” apart from its registration under GST as a normal taxpayer.

The concept of ISD is made available to businesses having a large share of common expenditures, and billing or payment is done from a centralized location. The mechanism is meant to simplify the credit-taking process for entities and the facility will strengthen the seamless flow of credit under GST.

### 18.2 Process Overview



### 18.3 Solution Overview

To ensure compliance with legal requirements, a new page, **Input Service Distribution**, has been introduced. Users can create a distribution by selecting the **New Distribution** command, which launches the **New Input Service Distribution** assistant. Upon defining the required parameters, the system generates a new distribution and retrieves relevant tax transactions, displaying them in the **Details** tab. Users can then allocate these tax transactions to respective branches using the **Distribute Information** dialog. Additionally, vouchers can be generated for such distributions.

The **Input Service Distribution** feature includes the following options:

- **New Distribution** – Initiates a new distribution process.
- **Distribute** – Allocates tax transactions to branches.
- **Rollback Distribution** – Reverses an existing distribution.
- **Acknowledge** – Confirms distribution processing.
- **Unacknowledged** – Marks distribution as pending acknowledgment.
- **Create Voucher** – Generates vouchers for distributed transactions.
- **Rollback Voucher** – Reverses voucher creation.
- **View Voucher** – Displays details of created vouchers.

To support this solution, the following system enhancements have been implemented:

- A new LCC parameter is introduced as a prerequisite configuration.
- A new company basic data entry is added under the Addresses section to register the tax-distributing company, namely **ISD Registered**.
- Three new posting controls have been created:
  - **TAP1** – Posts distributed tax entries to branch accounts.
  - **TAP2 & TAP3** – Manage inter-company tax due from/due to affiliated company transactions.
- A new control type **Company Address** is added to the TAP1 posting control.
- A new voucher type and function group (**TA**) are introduced for handling tax distribution transactions.
- A new column **Remaining Tax Amount (ISD)** is added to the Tax Transactions page to track the remaining portion of a tax transaction that is yet to be distributed in future distributions.

This solution ensures accurate and compliant tax distribution across branches while streamlining the process within the system.

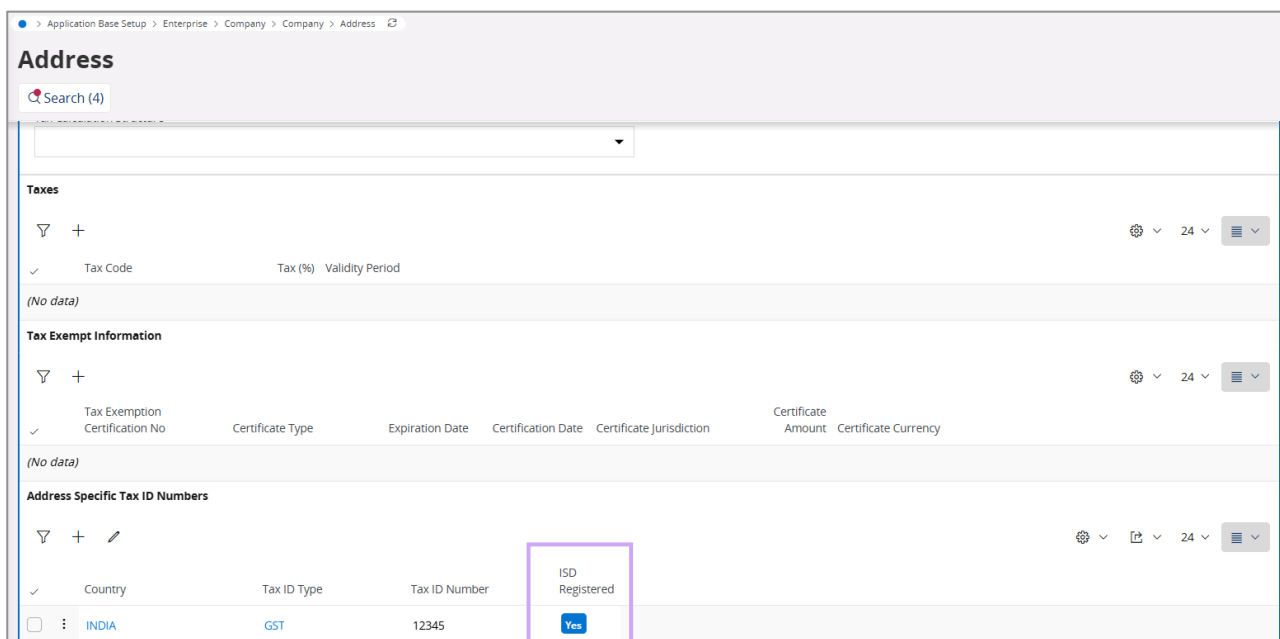
## 18.4 Prerequisites

The company must be set up to use the Indian localization. See the [Company Setup](#) chapter. The “Input Service Distributor (ISD) - Enables the company to distribute and post GST input tax credits to its other companies registered under the same PAN” localization parameter must be enabled.

## 18.5 Define Basic Data

### 18.5.1 DEFINE ISD REGISTERED COMPANY ADDRESS ID

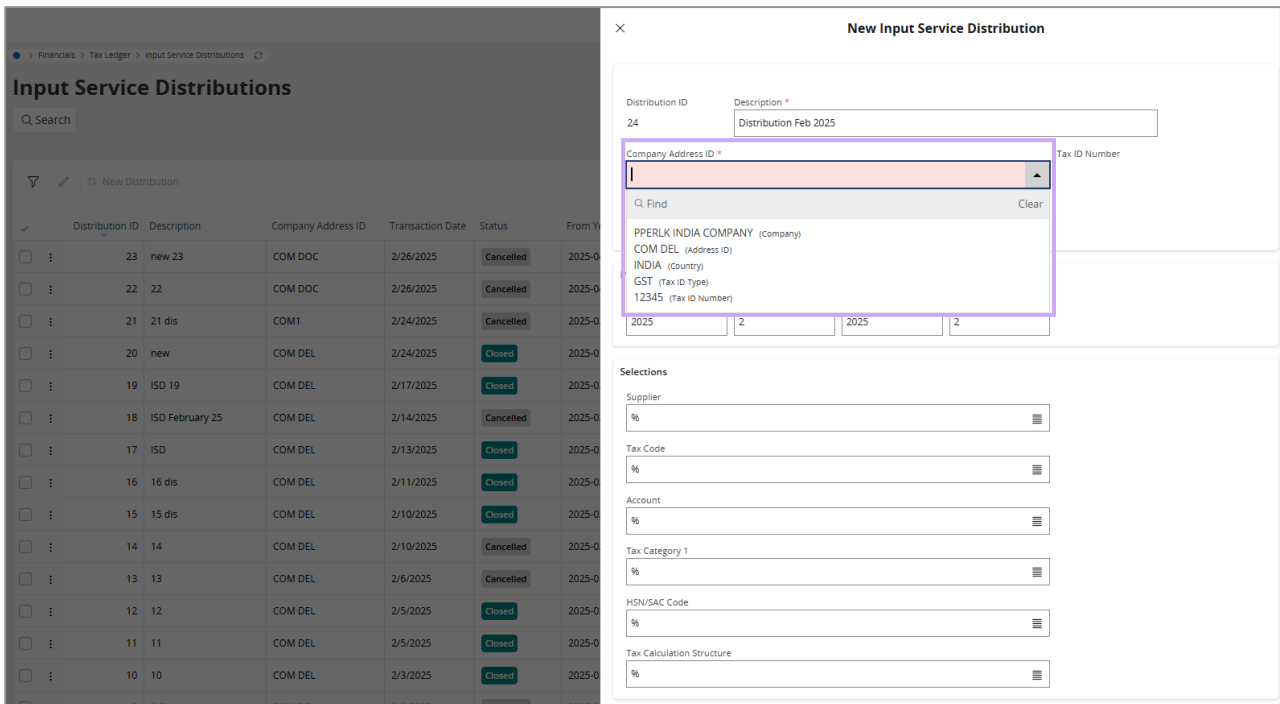
To facilitate the identification of a company as an Input Service Distributor (ISD), a new column titled **ISD Registered** has been added to the **Company/Address/Address Specific Tax ID Numbers** section. This column becomes visible when the LCC parameter is enabled, as outlined in the prerequisites section of this chapter.



The screenshot displays the 'Address' configuration page in the IFS system. The page is divided into three main sections: 'Taxes', 'Tax Exempt Information', and 'Address Specific Tax ID Numbers'. Each section has a search icon and a '+', '-' icon. The 'Address Specific Tax ID Numbers' section contains a table with the following columns: Country, Tax ID Type, Tax ID Number, and ISD Registered. A row is shown for 'INDIA' with 'GST' as the Tax ID Type and '12345' as the Tax ID Number. The 'ISD Registered' column for this row has a 'Yes' button highlighted with a purple box.

Country	Tax ID Type	Tax ID Number	ISD Registered
INDIA	GST	12345	Yes

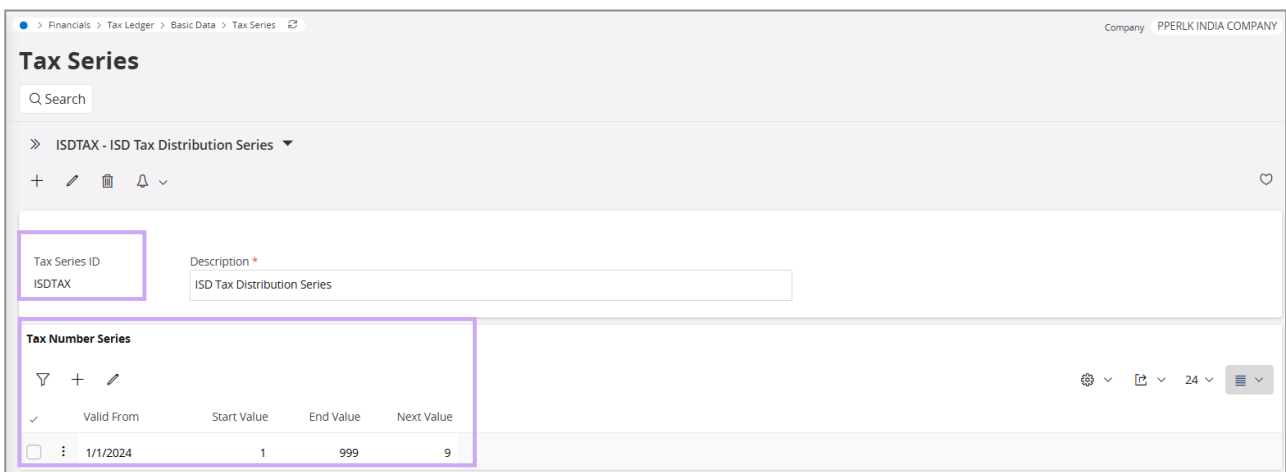
**ISD Registered** toggle must be enabled for the **GST** tax ID type, to ensure the correct retrieval of values for ISD distribution when determining the distributing company's address.



The screenshot shows the 'New Input Service Distribution' form. The 'Company Address ID' dropdown is open, displaying search results for 'PPERLK INDIA COMPANY'. The results include 'COM DEL (Address ID)', 'INDIA (Country)', and 'GST (Tax ID Type)'. The 'Tax ID Number' field is also visible, containing '12345'. Below the dropdown, there are fields for 'Supplier', 'Tax Code', 'Account', 'Tax Category 1', 'HSN/SAC Code', and 'Tax Calculation Structure', each with a dropdown menu.

### 18.5.2 DEFINE DISTRIBUTION SERIES ID AND NUMBER

To ensure traceability, a unique number sequence must be maintained for ISD distributions. This sequence should be defined on the **Tax Ledger/Basic Data/Tax Series** page of the distributing company.

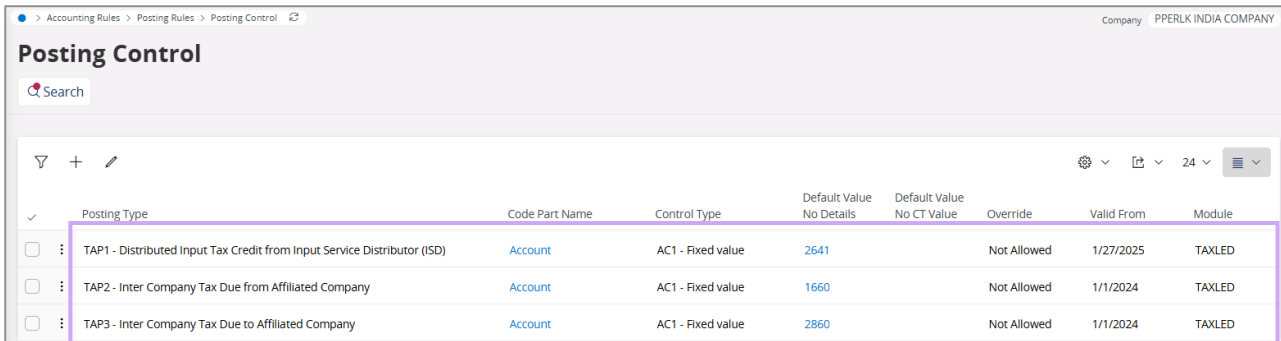


The screenshot shows the 'Tax Series' page for 'PPERLK INDIA COMPANY'. The 'Tax Series ID' is 'ISDTAX' and the 'Description' is 'ISD Tax Distribution Series'. Below this, there is a 'Tax Number Series' table with one entry:

Valid From	Start Value	End Value	Next Value
1/1/2024	1	999	9

### 18.5.3 DEFINE POSTING CONTROLS

Three new posting controls are introduced on the **Accounting Rules/Posting Rules/Posting Controls** page to manage postings related to taxes, payables, and receivables between the distributing and receiving companies as below.



Posting Type	Code Part Name	Control Type	Default Value No Details	Default Value No CT Value	Override	Valid From	Module
TAP1 - Distributed Input Tax Credit from Input Service Distributor (ISD)	Account	AC1 - Fixed value	2641		Not Allowed	1/27/2025	TAXLED
TAP2 - Inter Company Tax Due from Affiliated Company	Account	AC1 - Fixed value	1660		Not Allowed	1/1/2024	TAXLED
TAP3 - Inter Company Tax Due to Affiliated Company	Account	AC1 - Fixed value	2860		Not Allowed	1/1/2024	TAXLED

Posting Control	Description	Control Types
TAP1 - Distributed Input Tax Credit from Input Service Distributor (ISD)	This posting control is used by the receiving company or branch to record the transfer of tax amounts from the Input Service Distributor.	Fixed value Company Tax Code Company Address Pre Posting (For Code B-J)
TAP2 - Inter Company Tax Due from Affiliated Company	This posting control is used by the Input Service Distributor to record the receivable amount from the branch or the receiving company.	Fixed value Company Company Address
TAP3 - Inter Company Tax Due to Affiliated Company	This posting control is used by the tax-receiving branch company to record the payable amount to the Input Service Distributor.	Fixed value Company Company Address

Use of the above-mentioned posting controls will differ based on how the distribution is done between the branches. Branches can be maintained as separate companies or within the same company with multiple address IDs.

Accordingly, when distributing between branch companies all three posting controls will be used and when distributing within the same company to multiple address IDs only the TAP1 posting control will be used when creating the voucher entry.

With the introduction of the new control type, **Company Address** can be used to uniquely map and identify tax amounts, receivable or payable amounts in the books of accounts for a particular company address ID.

Note:

The **Accounting Rules/Posting Rules/Combination Control Types** page can be used when mapping Company and Company Address control types together, which will be useful in determining tax amounts separately when distributing within the same company to multiple address IDs.

## 18.5.4 DEFINE NEW VOUCHER TYPE NUMBER SERIES

A new function group named **TA – Input Service Distribution** is introduced.

Accounting Rules > User Related Data > Function Group Analysis

### Function Group Analysis

Q Search

Function Group	Automatic Allotment Required	Store Original Mandatory	Simulati... Voucher Allowed	Single Function Required	Voucher Row Group Validation Allowed	Reference Mandatory Allowed	Separate User Approval Allowed	Allowed to use in Internal Ledger	Automatic Voucher Balance	Connect Function Group Allowed	Parallel Amount Balanc... in Source	Project Connection Supported	Allow set Store Orig...
TA - Input Service Distribution	Yes	No	No	Yes	No	No	No	No	No	No	Yes	No	No

Accounting Rules > User Related Data > Voucher Type

Company PPERLK INDIA COMPANY

### Voucher Type

Q Search Advanced

Voucher Type Description Ledger ID More Favorites Search Saved Searches

TA - Input Service Distribution

New Voucher Type Voucher Series Excluded From IL Translation

Voucher Type	Description	Automatic Allotment	Single Function Group	Simulation Voucher
TA	Input Service Distribution	Yes	Yes	No

Ledger Selection	Separate User Approval	Use Voucher Approval Workflow
Ledger Type: GL, Affect IL	No	No

Function Group Information

Function Group	Optional Auto Balance	Store Original	Voucher Row Group Validation	Reference Mandatory	Automatic Allotment Required	Single Function Group Required
TA - Input Service Distri...	No	No	No	No	Yes	Yes

Accounting Rules > User Related Data > Voucher Series per Voucher Type

Company PPERLK INDIA COMPANY

### Voucher Series per Voucher Type

Q Search (1)

Sort by

TA - Input Service Distribution 1 of 1

Translation

Year	From Number	Until Number	Next Voucher No
2025	2025000001	2025000999	2025000010

## 18.6 Create Input Service Distribution

### 18.6.1 CREATE A NEW DISTRIBUTION

Navigate to the **Financials/Tax Ledger/Input Service Distribution** page and click on the **New Distribution** command button to create a new distribution.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

### Input Service Distribution

Search

New Distribution

✓	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-03	2025-03	ISDTAX	15	TA	2025000018
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-02	2025-02	ISDTAX	14	TA	2025000017
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-02	2025-02	ISDTAX	13	TA	2025000016

Clicking the **New Distribution** command will open the **New Input Service Distribution** dialog.

Financials > Tax Ledger > Input Service Distributions

### Input Service Distributions

Search

New Distribution

**New Input Service Distribution**

Distribution ID: 24  
Description: ISD February 2025

Company Address ID: COM DEL  
Tax ID Number: 12345

Distribution Series ID: ISDTAX - ISD Tax Distribution Series

Period/Date Range

From Year: 2025  
From Period: 2  
To Year: 2025  
To Period: 2

Selections

Supplier: %

Tax Code: %

Account: %

Tax Category 1: %

HSN/SAC Code: %

Tax Calculation Structure: %

OK Cancel

✓	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Y
<input type="checkbox"/>	23	new 23	COM DOC	2/26/2025	Cancelled	2025-0
<input type="checkbox"/>	22	22	COM DOC	2/26/2025	Cancelled	2025-0
<input type="checkbox"/>	21	21 dis	COM1	2/24/2025	Cancelled	2025-0
<input type="checkbox"/>	20	new	COM DEL	2/24/2025	Closed	2025-0
<input type="checkbox"/>	19	ISD 19	COM DEL	2/17/2025	Closed	2025-0
<input type="checkbox"/>	18	ISD February 25	COM DEL	2/14/2025	Cancelled	2025-0
<input type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-0
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-0
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-0
<input type="checkbox"/>	14	14	COM DEL	2/10/2025	Cancelled	2025-0
<input type="checkbox"/>	13	13	COM DEL	2/6/2025	Cancelled	2025-0
<input type="checkbox"/>	12	12	COM DEL	2/5/2025	Closed	2025-0
<input type="checkbox"/>	11	11	COM DEL	2/5/2025	Closed	2025-0
<input type="checkbox"/>	10	10	COM DEL	2/3/2025	Closed	2025-0
<input type="checkbox"/>	9	9 Distribution	COM DEL	2/3/2025	Cancelled	2025-0

In the dialog box, the user must specify the description and selection parameters to create the distribution. The **Company Address ID** LOV retrieves company address IDs that are of GST tax type and ISD registered specified on the Address Specific Tax Information section of the company page, while the **Distribution Series ID** LOV fetches tax series defined for the Company on the **Tax Series** page. For more details, refer to section [20.5 Define Basic Data](#) in this chapter.

Users can enter either a single Accounting/Tax Period or a range for distributing tax transactions. Additionally, six selection criteria are available to streamline the selection of tax transactions for distribution.

After entering the mandatory fields, click **OK** to create the distribution, which will then appear in the **Created** state, as shown below.

Note: When retrieving tax transactions for the **Input Service Distribution** details tab, it will always include tax transactions that are fetched, have a tax direction of "Tax Received," and aren't reported in any tax report.

Financials > Tax Ledger > Input Service Distribution

### Input Service Distribution

Q Search

New Distribution

✓	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input type="checkbox"/>	18	ISD February 25	COM DEL	2/14/2025	Created	2025-02	2025-02	ISDTAX			
<input type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-03	2025-03	ISDTAX	15	TA	2025000018
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-02	2025-02	ISDTAX	14	TA	2025000017
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-02	2025-02	ISDTAX	13	TA	2025000016

## 18.6.2 VIEW AND MODIFY THE DETAILS TAB

The **Details** command button allows users to view the fetched tax transactions associated with each distribution.

Financials > Tax Ledger > Input Service Distribution

### Input Service Distribution

Q Search

Details

(1)	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input checked="" type="checkbox"/>	18	ISD February 25	COM DEL	2/14/2025	Created	2025-02	2025-02	ISDTAX			
<input type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-03	2025-03	ISDTAX	15	TA	2025000018
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-02	2025-02	ISDTAX	14	TA	2025000017
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-02	2025-02	ISDTAX	13	TA	2025000016

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

### Input Service Distribution Details

Search (1)

18 - ISD February 25 1 of 1

Distribute

Input Service Distribution: 18 - ISD February 25  
 Company Address ID: COM DEL  
 From Year-Period: 2025-02  
 To Year-Period: 2025-02

DETAILS DISTRIBUTION

✓	Tax Trans ID	Identity	Invoice No	Tax Code	Tax (%)	Tax Category 1	Curr... Code	Curr Rate	Distributed Tax Amount	Distributed Tax Amount in Accounting Currency	Distributed Tax Amount in Parallel Currency	Distributed Tax Base Amount	Distributed Tax Base Amount in Accounting Currency	Distributed Tax Base Amount in Parallel Currency
<input type="checkbox"/>	204195	PS PPERLK SUP 01 - PPERIK ...	INV01 6/2	SGST	20	SGST - State GST	INR	1	2000.00	2000.00	1000.00	10000.00	10000.00	5000.00
<input type="checkbox"/>	204196	PS PPERLK SUP 01 - PPERIK ...	INV01 6/2	CGST	10	CGST - Central GST	INR	1	1000.00	1000.00	500.00	10000.00	10000.00	5000.00

Tax Transactions can be manually selected using either **Tax Transaction ID** or **Invoice No** fields as shown below using the + sign. Using the delete option, a particular tax transaction can be removed from the Input Service Distribution, so that the tax transaction will not be considered for the distribution.

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Company PPERLK INDIA COMPANY

### Input Service Distribution Details

Search (1)

18 - ISD February 25 1 of 1

Distribute

Input Service Distribution: 18 - ISD February 25  
 Company Address ID: COM DEL  
 From Year-Period: 2025-02  
 To Year-Period: 2025-02

DETAILS DISTRIBUTION

+ Save Cancel New 24

(1) Tax Trans ID	Identity	Invoice No	Tax Code	Tax (%)	Tax Category 1	Curr... Code	Curr Rate	Distributed Tax Amount	Distributed Tax Amount in Accounting Currency	Distributed Tax Amount in Parallel Currency	Distributed Tax Base Amount	Distributed Tax Base Amount in Accounting Currency	Distributed Tax Base Amount in Parallel Currency
<input checked="" type="checkbox"/> 204195	PS PPERLK SUP 01 - PPERIK ...	INV01 6/2	SGST	20	SGST - State GST	INR	1	2000.00	2000.00	1000.00	10000.00	10000.00	5000.00
<input type="checkbox"/> 204196	PS PPERLK SUP 01 - PPERIK ...	INV01 6/2	CGST	10	CGST - Central GST	INR	1	1000.00	1000.00	500.00	10000.00	10000.00	5000.00

Users can access additional information on tax transactions retrieved in the **Details** tab by selecting the specific tax transaction ID and clicking the **Details** command button.

Note:

It is assumed that branch companies have defined the same tax codes as the Input Service Distributor.

### 18.6.3 PARTIAL DISTRIBUTION OF THE TAX AMOUNT

Users can distribute a portion of the tax amount for a specific tax transaction. The **Distributed Tax Amount** column on the details tab of the distribution is editable, allowing users to enter a value lower than the original tax amount.

Modifying the **Distributed Tax Amount** field for a specific tax transaction will also impact the **Distributed Tax Amount in Accounting Currency**, **Distributed Tax Amount in Parallel Currency**, **Distributed Tax Base Amount**, **Distributed Tax Base Amount in Accounting Currency**, and **Distributed Tax Base Amount in Parallel Currency** columns. The tax base fields will be adjusted in proportion to the percentage change in the Distributed Tax Amount.

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Company: PPERLK INDIA COMPANY

### Input Service Distribution Details

Search (1)

18 - ISD February 25 1 of 1

Distribute

Input Service Distribution: 18 - ISD February 25  
 Company Address ID: COM DEL  
 From Year-Period: 2025-02  
 To Year-Period: 2025-02

DETAILS DISTRIBUTION

✓	Tax Trans ID	Identity	Invoice No	Tax Code	Tax (%)	Tax Category 1	Curr... Code	Curr Rate	Distributed Tax Amount	Distributed Tax Amount in Accounting Currency	Distributed Tax Amount in Parallel Currency	Distributed Tax Base Amount	Distributed Tax Base Amount in Accounting Currency	Distributed Tax Base Amount in Parallel Currency
<input type="checkbox"/>	204195	PS PPERLK SUP 01 - PPERIK ...	INV01 6/2	SGST	20	SGST - State GST	INR	1	1500.00	1500.00	750.00	7500.00	7500.00	3750.00
<input type="checkbox"/>	204196	PS PPERLK SUP 01 - PPERIK ...	INV01 6/2	CGST	10	CGST - Central GST	INR	1	1000.00	1000.00	500.00	10000.00	10000.00	5000.00

## 18.7 Distribution of Tax Amount

### 18.7.1 DISTRIBUTION INFORMATION DIALOG

After completing the creation of the distribution or modifications to the details tab, the user can initiate the distribution process by selecting the **Distribute** command. This option is available on both the **Input Service Distribution Details** page and the **Input Service Distribution** page. Once initiated, the process will lock the user's ability to modify tax transactions that have been selected in the **Details** tab.

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Company: PPERLK INDIA COMPANY

### Input Service Distribution Details

Search

18 - ISD February 25

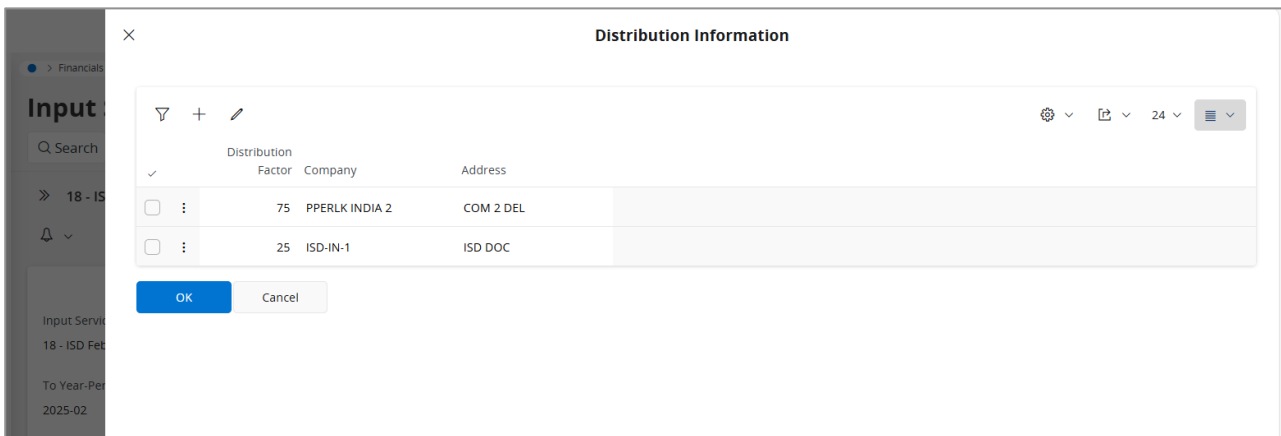
Distribute

Input Service Distribution: 18 - ISD February 25  
 Company Address ID: COM DEL  
 From Year-Period: 2025-02  
 To Year-Period: 2025-02

DETAILS DISTRIBUTION

✓	Tax Trans ID	Identity	Invoice No	Tax Code	Tax (%)	Tax Category 1	Curr... Code	Curr Rate	Distributed Tax Amount	Distributed Tax Amount in Accounting Currency	Distributed Tax Amount in Parallel Currency	Distributed Tax Base Amount	Distributed Tax Base Amount in Accounting Currency	Distributed Tax Base Amount in Parallel Currency
<input type="checkbox"/>	204195	PS PPERLK SUP 01 - PPERIK ...	INV01 6/2	SGST	20	SGST - State GST	INR	1	2000.00	2000.00	1000.00	10000.00	10000.00	5000.00
<input type="checkbox"/>	204196	PS PPERLK SUP 01 - PPERIK ...	INV01 6/2	CGST	10	CGST - Central GST	INR	1	1000.00	1000.00	500.00	10000.00	10000.00	5000.00

Upon clicking the Distribute command, a **Distribution Information** dialog box will be opened.



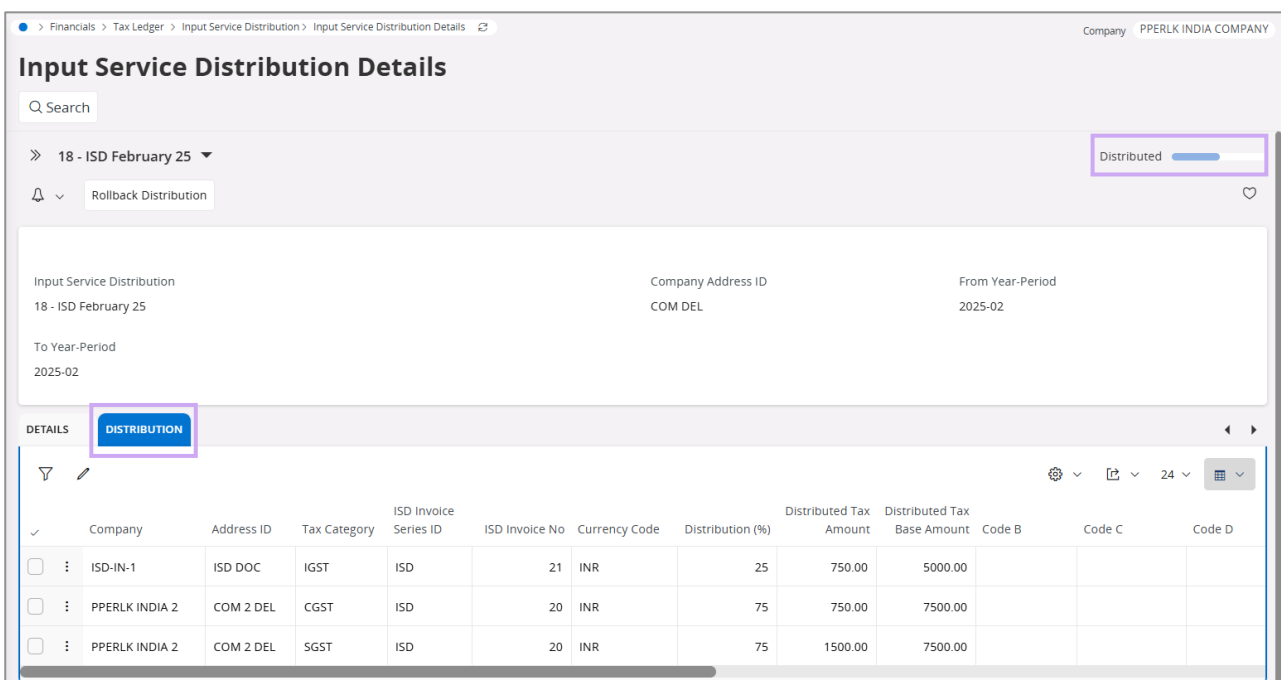
In this dialog, the user can specify the tax allocation percentage among branch companies for the selected tax transactions in the **Distribution Factor** column. Users can enter values ranging from 1 to 100, which must collectively sum to 100%, while negative values are not permitted.

In the **Company** column, the user can specify the name of the branch eligible to receive the tax credit. The list of values displays the companies connected with the user.

An **Address ID** must be selected for the chosen company. The list of values displays the Address IDs that have a Tax ID number defined for the **GST** tax ID type in the **Company/Address/Address Specific Tax ID Numbers** section of the respective company.

Users can select address IDs within the same Input Service Distributor Company, as well as multiple addresses within the branch company, but the user is not permitted to define the same company and address combination more than once in the **Distribution Information** dialog.

Once the relevant information is provided, click **OK**, and the status of the distribution will be updated to **Distributed** and distributed lines will get updated on the **Distribution** tab of the distribution.

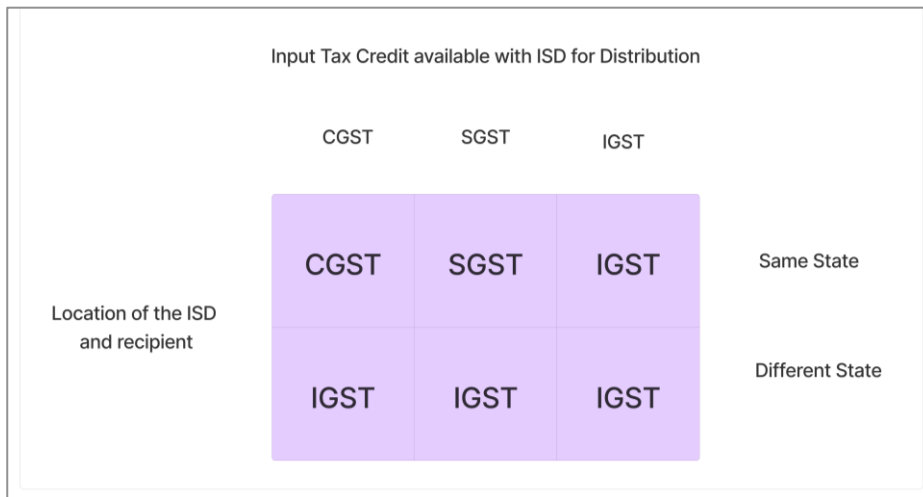


Note:

To distribute the tax transactions retrieved in the Details tab of the distribution, having a tax category for the tax transaction IDs is mandatory.

Further simultaneous distribution to both multi-company and same company address IDs is not allowed. In such cases, separate distributions must be used.

### 18.7.2 INTRA/ INTER STATE DISTRIBUTION MECHANISM



Transferring tax amounts to the branches works as shown in the above diagram. When distributing GST, we must consider the location or state of the Input Service distributor, branch, and the tax categories of Input Tax Credit (ITC) available to distribute. These two parameters will determine whether it's an intra or inter-distribution.

When the distribution happens between the same state, tax categories will be passed on to the tax-receiving company as it is, for example, CGST will be transferred as CGST, and SGST will be transferred as SGST. When the distribution happens between different states, tax categories will be transferred as IGST only.

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Company PPERLK INDIA COMPANY

### Input Service Distribution Details

Search

18 - ISD February 25

Rollback Distribution

Input Service Distribution: 18 - ISD February 25

Company Address ID: COM DEL

From Year-Period: 2025-02

To Year-Period: 2025-02

DETAILS DISTRIBUTION

Company	Address ID	Tax Category	ISD Invoice Series ID	ISD Invoice No	Currency Code	Distribution (%)	Distributed Tax Amount	Distributed Tax Base Amount	Code B	Code C	Code D
ISD-IN-1	ISD DOC	IGST	ISD	21	INR	25	750.00	5000.00			
PPERLK INDIA 2	COM 2 DEL	CGST	ISD	20	INR	75	750.00	7500.00			
PPERLK INDIA 2	COM 2 DEL	SGST	ISD	20	INR	75	1500.00	7500.00			

If the branch is located in a different state from the Input Service Distributor, all tax categories will be transferred as **IGST** in a single line on the **Distribution** tab.

However, if the branch is located in the same state as the Input Service Distributor, the tax categories of the tax transactions will be aggregated by tax category and displayed tax category-wise on the **Distribution** tab.

The **ISD Invoice Series ID** and **ISD Invoice No** are system-defined, sequential numbering and will be generated for each **Address ID** in the distribution.

The distribution is executed in **Indian Rupees (INR)**, irrespective of the currencies of the tax transactions selected in the **details** tab of the distribution.

In the **Distribution** tab, users can enter code strings (**Code B** to **Code J**), enabling them to specify predefined strings connected with the branches receiving the tax component, ensuring proper posting as needed.

Furthermore, the **Rollback Distribution** command will become available upon the completion of the distribution process. When the distribution is rolled back, the distribution state will revert to **Created**, and all distribution-related information will be removed from the **Distribution** tab.

## 18.8 Acknowledging the Distribution

On the **Input Service Distribution** page, select the distribution and click on the **Acknowledge** command to confirm it. This action will lock the user's ability to modify distribution lines within the **Distribution** tab. Once acknowledged, the distribution's status will be updated to **Acknowledged**.

Financials > Tax Ledger > Input Service Distribution Company PPERLK INDIA COMPANY

### Input Service Distribution

Q Search

New Distribution

✓	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input type="checkbox"/>	18	ISD February 25	COM DEL	2/14/2025	Acknowledged	2025-02	2025-02	ISDTAX			
<input type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-03	2025-03	ISDTAX	15	TA	2025000018
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-02	2025-02	ISDTAX	14	TA	2025000017
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-02	2025-02	ISDTAX	13	TA	2025000016
<input type="checkbox"/>	14	14	COM DEL	2/10/2025	Cancelled	2025-02	2025-02	ISDTAX	12	TA	2025000015

Once the distribution is acknowledged, the **Unacknowledge** command button will become accessible, allowing the user to revert the acknowledgment and modify the distribution lines if necessary.

## 18.9 Voucher Creation

Once the distribution is acknowledged, a voucher can be created using the **Create Voucher** command. In the Voucher Information assistant, the user has the option to edit the voucher date as needed.

Financials > Tax Ledger > Input Service Distribution Company PPERLK INDIA COMPANY

### Input Service Distribution

Q Search

Details New Distribution Unacknowledge Create Voucher

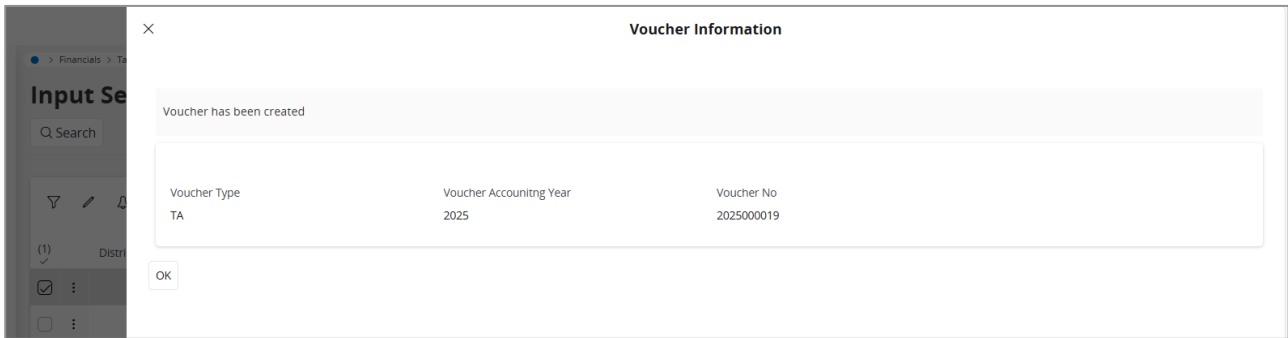
(1)	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input checked="" type="checkbox"/>	18	ISD February 25	COM DEL	2/14/2025	Acknowledged	2025-02	2025-02	ISDTAX			
<input type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-03	2025-03	ISDTAX	15	TA	2025000018
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-02	2025-02	ISDTAX	14	TA	2025000017
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-02	2025-02	ISDTAX	13	TA	2025000016

Voucher Information

Create Voucher

Voucher Date	Accounting Period	User Group	Voucher Type
2/14/2025	2025-2	AC	TA

OK Cancel



For the Input Service Distributor company voucher creation, it will use the newly created voucher type **TA**, and existing voucher type **D** will be used for the branch company voucher creation.

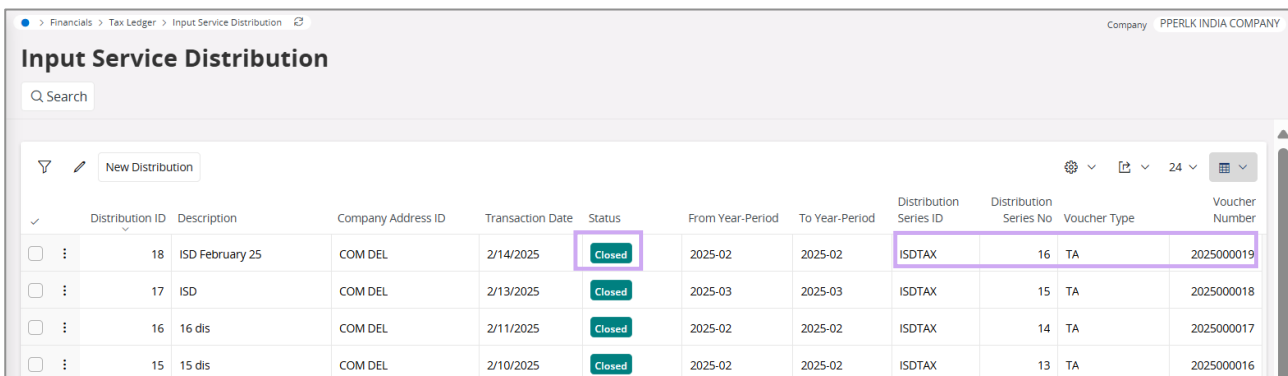
When the tax amount is distributed with a branch company, both TA and D vouchers will be created. TA voucher will consist of TAP2 and AUTOMATIC trans code when creating the voucher lines, and the D voucher will consist of TAP1 and TAP3 trans code when creating the voucher lines.

Whereas, if the tax amount is distributed within the Input Service Distributor company address IDs only a TA voucher will be created. And the TA voucher will consist of TAP1 and AUTOMATIC trans codes when creating the voucher lines.

After the voucher is created, the Distribution status will be updated to **Closed**, and details such as the **Distribution Series No**, **Voucher Type**, and **Voucher Number** will be shown on the **Input Service Distribution** page.

Note:

AUTOMATIC trans code is used in the Input Service Distributor company to reverse the original tax transactions which are distributed among the receiving companies.



✓	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input type="checkbox"/>	18	ISD February 25	COM DEL	2/14/2025	Closed	2025-02	2025-02	ISDTAX	16	TA	2025000019
<input type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-03	2025-03	ISDTAX	15	TA	2025000018
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-02	2025-02	ISDTAX	14	TA	2025000017
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-02	2025-02	ISDTAX	13	TA	2025000016

Additionally, the created voucher can be cancelled using the **Rollback Voucher** command, which will fully reverse the original voucher entry. In the Voucher Information assistant, the user has the option to edit the voucher date to a future date if the original voucher date period is closed.

The voucher number will also be updated on the **Input Service Distribution** page and the status of the distribution will be changed to **Cancelled**.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

### Input Service Distribution

Q Search

New Distribution

✓	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input type="checkbox"/>	18	ISD February 25	COM DEL	2/14/2025	Cancelled	2025-02	2025-02	ISDTAX	16	TA	2025000020
<input type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-03	2025-03	ISDTAX	15	TA	2025000018
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-02	2025-02	ISDTAX	14	TA	2025000017
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-02	2025-02	ISDTAX	13	TA	2025000016

## 18.10 View Voucher

The created voucher can be viewed using the **View Voucher** command button as shown below.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

### Input Service Distribution

Q Search

Details View Voucher Rollback Voucher

(1)	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input checked="" type="checkbox"/>	17	ISD	COM DEL	2/13/2025	Closed	2025-03	2025-03	ISDTAX	15	TA	2025000018
<input type="checkbox"/>	16	16 dis	COM DEL	2/11/2025	Closed	2025-02	2025-02	ISDTAX	14	TA	2025000017
<input type="checkbox"/>	15	15 dis	COM DEL	2/10/2025	Closed	2025-02	2025-02	ISDTAX	13	TA	2025000016
<input type="checkbox"/>	14	14	COM DEL	2/10/2025	Cancelled	2025-02	2025-02	ISDTAX	12	TA	2025000015

The **View Voucher** command button will navigate to the **Multi-Company Voucher Details Analysis** page if the distribution occurs between companies. If the distribution is made between different Address IDs within the same company, it will be directed to the **Voucher Details Analysis** page.

Accounting Rules > Voucher > Analysis > Multi-Company Voucher Details Analysis

Company PPERLK INDIA COMPANY

### Multi-Company Voucher Details Analysis

Q Search

Entry Information

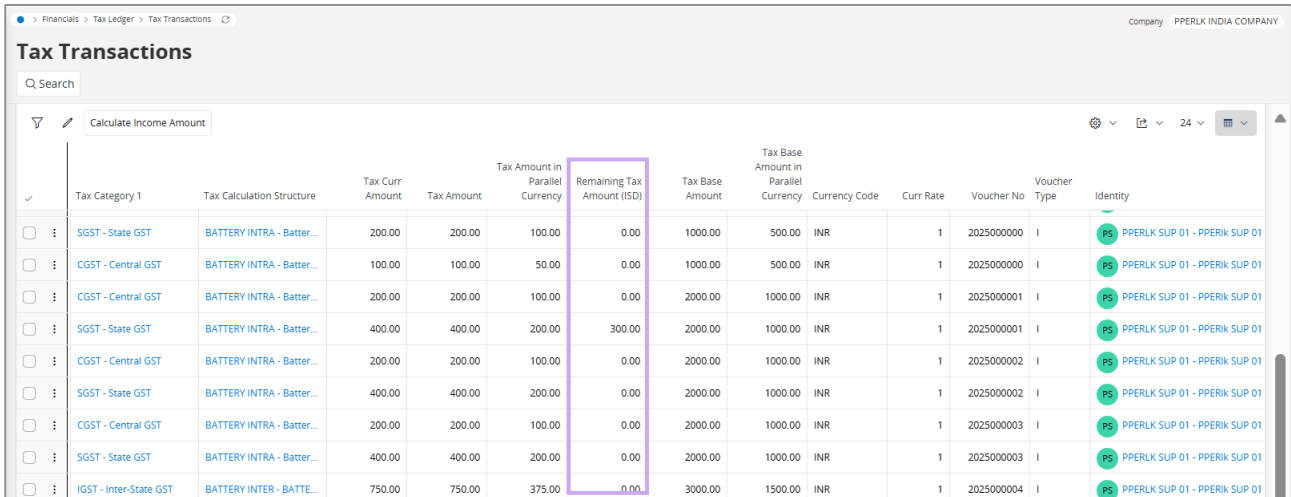
Entry Date: 2/14/2025  
User ID: PPERLK  
User Group: AC

Voucher Rows

✓	Row No	Voucher Company	Voucher Updated	Account	Cost Cent	Project	Tax Code	Trans Code	Voucher Type Reference	Voucher No Ref	Currency Code
<input type="checkbox"/>	1	PPERLK INDIA 2 - pperlk-2	No	2641 - Charged input VAT			CGST	TAP1	D	2025000018	INR
<input type="checkbox"/>	2	PPERLK INDIA 2 - pperlk-2	No	2641 - Charged input VAT			SGST	TAP1	D	2025000018	INR
<input type="checkbox"/>	3	PPERLK INDIA 2 - pperlk-2	No	2860 - Payables to affiliated companies				TAP3	D	2025000018	INR
<input type="checkbox"/>	4	ISD-IN-1 - ISD-IN-1	No	2645 - Estimated input VAT on purch from outsi...			CGST	TAP1	D	2025000010	INR
<input type="checkbox"/>	5	ISD-IN-1 - ISD-IN-1	No	2645 - Estimated input VAT on purch from outsi...			SGST	TAP1	D	2025000010	INR
<input type="checkbox"/>	6	ISD-IN-1 - ISD-IN-1	No	2860 - Payables to affiliated companies				TAP3	D	2025000010	INR
<input type="checkbox"/>	7	PPERLK INDIA COMPANY - PPERLK INDIA COMPANY	No	2641 - Charged input VAT			CGST	AUTOMATIC	TA	2025000020	INR
<input type="checkbox"/>	8	PPERLK INDIA COMPANY - PPERLK INDIA COMPANY	No	2641 - Charged input VAT			SGST	AUTOMATIC	TA	2025000020	INR
<input type="checkbox"/>	9	PPERLK INDIA COMPANY - PPERLK INDIA COMPANY	No	1660 - Receivables from affiliated companies				TAP2	TA	2025000020	INR
<input type="checkbox"/>	10	PPERLK INDIA COMPANY - PPERLK INDIA COMPANY	No	1660 - Receivables from affiliated companies				TAP2	TA	2025000020	INR

## 18.11 Tax Transaction page Information

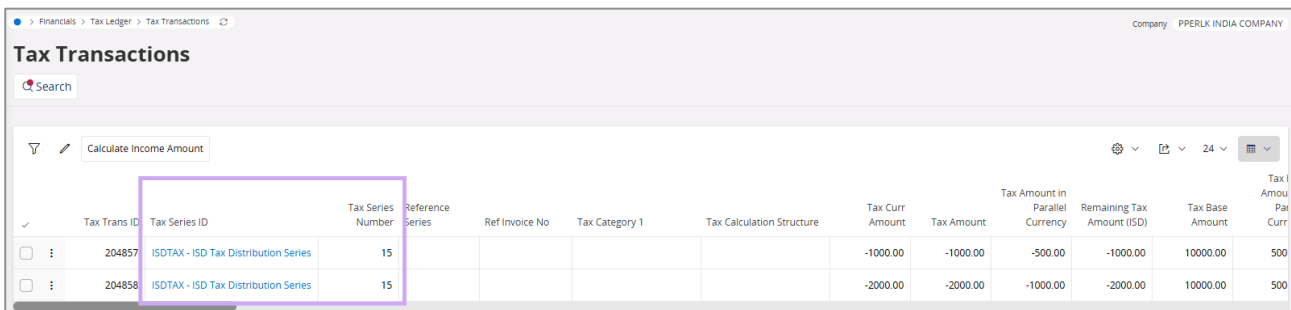
The **Remaining Tax Amount (ISD)** column on the **Tax Transaction** page of the Input Service Distributor company will be updated upon creating the TA voucher. This column is displayed in accounting currency.



✓	Tax Category 1	Tax Calculation Structure	Tax Curr Amount	Tax Amount	Tax Amount in Parallel Currency	Remaining Tax Amount (ISD)	Tax Base Amount	Tax Base Amount in Parallel Currency	Currency Code	Curr Rate	Voucher No	Voucher Type	Identity
<input type="checkbox"/>	SGST - State GST	BATTERY INTRA - Batter...	200.00	200.00	100.00	0.00	1000.00	500.00	INR	1	2025000000	I	PS PPERLK SUP 01 - PPERIK SUP 01
<input type="checkbox"/>	CGST - Central GST	BATTERY INTRA - Batter...	100.00	100.00	50.00	0.00	1000.00	500.00	INR	1	2025000000	I	PS PPERLK SUP 01 - PPERIK SUP 01
<input type="checkbox"/>	CGST - Central GST	BATTERY INTRA - Batter...	200.00	200.00	100.00	0.00	2000.00	1000.00	INR	1	2025000001	I	PS PPERLK SUP 01 - PPERIK SUP 01
<input type="checkbox"/>	SGST - State GST	BATTERY INTRA - Batter...	400.00	400.00	200.00	300.00	2000.00	1000.00	INR	1	2025000001	I	PS PPERLK SUP 01 - PPERIK SUP 01
<input type="checkbox"/>	CGST - Central GST	BATTERY INTRA - Batter...	200.00	200.00	100.00	0.00	2000.00	1000.00	INR	1	2025000002	I	PS PPERLK SUP 01 - PPERIK SUP 01
<input type="checkbox"/>	SGST - State GST	BATTERY INTRA - Batter...	400.00	400.00	200.00	0.00	2000.00	1000.00	INR	1	2025000002	I	PS PPERLK SUP 01 - PPERIK SUP 01
<input type="checkbox"/>	CGST - Central GST	BATTERY INTRA - Batter...	200.00	200.00	100.00	0.00	2000.00	1000.00	INR	1	2025000003	I	PS PPERLK SUP 01 - PPERIK SUP 01
<input type="checkbox"/>	SGST - State GST	BATTERY INTRA - Batter...	400.00	400.00	200.00	0.00	2000.00	1000.00	INR	1	2025000003	I	PS PPERLK SUP 01 - PPERIK SUP 01
<input type="checkbox"/>	IGST - Inter-State GST	BATTERY INTER - BATTE...	750.00	750.00	375.00	0.00	3000.00	1500.00	INR	1	2025000004	I	PS PPERLK SUP 01 - PPERIK SUP 01

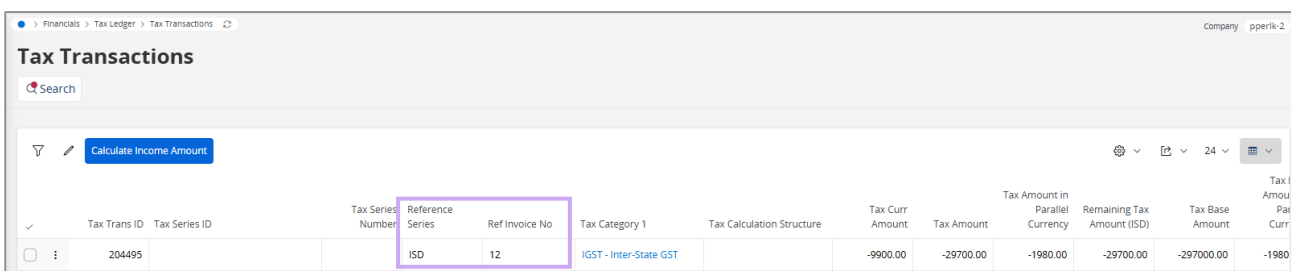
Once the voucher is created, users from the respective companies can **Update GL Vouchers** and **Fetch Tax Ledger Information** to populate the tax amounts into the tax ledgers of the respective branches or companies.

Upon fetching the tax ledger information on the **Tax Transactions** page for the Input Service Distributor company; Distribution Series ID and Series No will be reflected in the **Tax Series ID** and **Tax Series Number** columns.



✓	Tax Trans ID	Tax Series ID	Tax Series Number	Reference Series	Ref Invoice No	Tax Category 1	Tax Calculation Structure	Tax Curr Amount	Tax Amount	Tax Amount in Parallel Currency	Remaining Tax Amount (ISD)	Tax Base Amount	Tax I Amou Pai Curr
<input type="checkbox"/>	204857	ISDTAX - ISD Tax Distribution Series	15					-1000.00	-1000.00	-500.00	-1000.00	10000.00	500
<input type="checkbox"/>	204858	ISDTAX - ISD Tax Distribution Series	15					-2000.00	-2000.00	-1000.00	-2000.00	10000.00	500

Upon fetching the tax ledger information on the **Tax Transactions** page for the tax receiving company; the ISD Invoice Series ID, ISD Invoice No will be reflected in the **Reference Series**, and **Ref Invoice No** columns.



✓	Tax Trans ID	Tax Series ID	Tax Series Number	Reference Series	Ref Invoice No	Tax Category 1	Tax Calculation Structure	Tax Curr Amount	Tax Amount	Tax Amount in Parallel Currency	Remaining Tax Amount (ISD)	Tax Base Amount	Tax I Amou Pai Curr
<input type="checkbox"/>	204495			ISD	12	IGST - Inter-State GST		-9900.00	-29700.00	-1980.00	-29700.00	-297000.00	-1980

## 18.12 Delimitation

No known.

## 19 Appendix

Sample schema (XSD) for e-Invoice sending as well as receiving can be found in the Technical Documentation (TechDocs) for 25R1.

In - Solution Manager User Guide/Integration/IFS Cloud Business Components/...

### 18.13 E-invoice Format

The below attached Excel file describes the mapping of the Indian GST e-invoice format and the IFS e-invoice format. Note that only mandatory tags are mapped.



E\_Invoice\_India\_Map  
ping\_Document.xlsx

### 18.14 Response file



ReceiveEInvoiceResp  
onseSampleACCEPTED